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COMPARATIVE STATEMENT  
ON PROPOSED AMENDMENTS  
TO  
THE CONSUMER PROTECTION ACT,1986

## Arrangements of Chapters

Chapter	Remarks	Title of the Chapter
I		Preliminary
II		Consumer Protection Councils
III	New Chapter	Consumer Protection Authority
IV	Existing chapter III renamed as Chapter IV	Consumer Disputes Redressal Agencies
V	New Chapter	Mediation
VI	New Chapter	Product Liability
VII	Existing chapter IV renamed	Miscellaneous

Annexure-‘A’DETAILS OF PROPOSALS ALONG WITH JUSTIFICATION AS CONTAINED IN THE  
CONSUMER PROTECTION (AMENDMENT) BILL, 2014**Chapter – I****Preliminary**

Existing provision	Proposed amendment/provision	Justification/benefit
2. Definitions.--(1) In this Act, unless the context otherwise requires,		
2(1)(a0)- new addition	“(a0) ‘Advertisement’ means any audio or visual publicity, representation or pronouncement made by means of any light, sound, smoke, gas, print, electronic media, internet or website and includes through any notice, circular, label, wrapper, invoice or other documents.”	It is necessary to define the term ‘advertisement’.
2(1)(a)" <b>appropriate laboratory</b> " means a laboratory or organisation (i) recognised by the Central Government; (ii) recognised by a State Government, subject to such guidelines as may be prescribed by the Central Government in this behalf; or (iii) any such laboratory or organisation established by or under any law for the time being in force, which is maintained, financed or aided by the Central Government or a State Government for carrying out analysis or test of any goods with a view to determining whether such goods suffer from any defect;	2(1)(a)" <b>appropriate laboratory</b> " means a laboratory or organisation (i) recognised by the Central Government; (ii) recognised by a State Government, subject to such guidelines as may be prescribed by the Central Government in this behalf; or (iii) any such laboratory or organisation established by or under any law for the time being in force, which is maintained, financed or aided by the Central Government or a State Government for carrying out analysis or test of any goods with a view to determining whether such goods suffer from any defect;	No change

2(1)(aa) <b>"branch office"</b> means- (i) any establishment described as a branch by the opposite party; or (ii) any establishment carrying on either the same or substantially the same activity as that carried on by the head office of the establishment;	2(1)(aa) <b>"branch office"</b> means- (i) any establishment described as a branch by the opposite party; or (ii) any establishment carrying on either the same or substantially the same activity as that carried on by the head office of the establishment;	No change
New -2(1)(aaa)  ( to be inserted after Section 2(1) (aa))	<b>2(1)(aaa) "Authority" and "Central Authority" mean the Central Consumer Protection Authority.</b>	Necessary to define these terms in view of the proposed setting up of Consumer Protection Authority.
2(1)(aaaa)- new addition  ( to be inserted after the new Section 2(1) (aaa))	<b>"(aaaa) 'Claimant' in relation to product liability means any person, including a class of persons, who brings a product liability action, and if such an action is brought through or on behalf of an estate, the term includes the claimant's decedent, or if such an action is brought through or on behalf of a minor, the term includes the claimant's parent or guardian.</b>	A new chapter on product liability is being added and hence the term 'claimant' is required to be defined.
2(1)(b) <b>"complainant"</b> means- (i) a consumer; or (ii) any voluntary consumer association registered under the Companies Act,1956 (1)of 1956) or under any other law for the time being in force; or (iii) the Central Government or any State Government; . (iv) one or more consumers, where there are numerous consumers having the same interest;	2(1)(b) "complainant" means- (i) a consumer; or (ii) any voluntary consumer association registered under the Companies Act,1956 (1)of 1956) or under any other law for the time being in force; or (iii) the Central Government or any State Government; . (iv) one or more consumers, where there are numerous consumers having the same interest; (v) in case of death of a consumer, his legal heir or representative who or which makes a complaint;	No change

<p>(v) in case of death of a consumer, his legal heir or representative who or which makes a complaint;</p>		
<p>2(1)(c) "<b>complaint</b>" means any allegation in writing made by a complainant that-</p> <p>(i) an unfair trade practice or a restrictive trade practice has been adopted by any trader or service provider ;</p> <p>(ii) the goods bought by him or agreed to be bought by him suffer from one or more defects;</p> <p>(iii) the services hired or availed of or agreed to be hired or availed of by him] suffer from deficiency in any respect;</p> <p>(iv) a trader or the service provider, as the case may be, has charged for the goods or for the services mentioned in the complaint, a price in excess of the price</p> <p>(a) fixed by or under any law for the time being in force;</p> <p>(b) displayed on the goods or any package containing such goods;</p> <p>(c) displayed on the price list exhibited by him by or under any law for the time being in force;</p> <p>(d) agreed between the parties;</p> <p>(v) goods which will be hazardous to life and safety when used, are being-offered for sale to the public,-</p> <p>(a) in contravention of any standard relating to safety of such goods as required to be complied with, by or under any law for the time being in</p>	<p>2(1)(c) "complaint" means any allegation in writing made by a complainant that-</p> <p>(i) an unfair trade practice or a restrictive trade practice has been adopted by any trader or service provider ;</p> <p>(ii) the goods bought by him or agreed to be bought by him suffer from one or more defects;</p> <p>(iii) the services hired or availed of or agreed to be hired or availed of by him suffer from deficiency in any respect;</p> <p>(iv) a trader or the service provider, as the case may be, has charged for the goods or for the services mentioned in the complaint, a price in excess of the price</p> <p>(a) fixed by or under any law for the time being in force;</p> <p>(b) displayed on the goods or any package containing such goods;</p> <p>(c) displayed on the price list exhibited by him by or under any law for the time being in force;</p> <p>(d) agreed between the parties;</p> <p>(v) goods which will be hazardous to life and safety when used, are being-offered for sale to the public,-</p> <p>(a) in contravention of any standard relating to safety of such goods as required to be complied with, by or under any law for the time being in force;</p> <p>(b) if the trader could have known with due diligence that the goods so offered are unsafe to the public;</p>	<p>No change</p>

force; (b) if the trader could have known with due diligence that the goods so offered are unsafe to the public;		
2(1)(c)(va)- new addition after section 2(c )(v)	<b>(va) he has suffered a loss due to an unfair contract entered into by him.</b>	The provision is intended to protect the consumers who are placed in an unequal bargaining capacity. Hence 'unfair contract' is being added in the list of grounds on which a consumer can file a complaint.
2(1)(vi) services which are hazardous or likely to be hazardous to life and safety of the public when used, are being offered by the service provider which such person could have known with due diligence to be injurious to life and safety;  with a view to obtaining any relief provided by or under this Act;	2(1)(vi) services which are hazardous or likely to be hazardous to life and safety of the public when used, are being offered by the service provider which such person could have known with due diligence to be injurious to life and safety;  with a view to obtaining any relief provided by or under this Act;	No change
2(1)(d) " <b>consumer</b> " means any person who,- (i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any	2(1)(d) "consumer" means any person who,- (i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment when such use is made with the approval of such person, but does not include a person	Explanation 2 has been added to clarify that e-commerce transactions are also covered.

<p>system of deferred payment when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or</p> <p>(ii) hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person (but does not include a person who avails of such services of any commercial purpose;</p> <p>[Explanation.-For the purposes of this clause, "commercial purpose" does not include use by a consumer of goods bought and used by him exclusively for the purpose of earning his livelihood, by means of self-employment;</p>	<p>who obtains such goods for resale or for any commercial purpose; or</p> <p>(ii) hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person (but does not include a person who avails of such services of any commercial purpose;</p> <p>Explanation.1-For the purposes of this clause, "commercial purpose" does not include use by a consumer of goods bought and used by him exclusively for the purpose of earning his livelihood, by means of self-employment;</p> <p><b>Explanation 2: For the purposes of this clause buying of goods, hiring/availing of services is inclusive of the transaction made through any mode, inclusive of but not limited to offline, online through electronic means, teleshopping, direct selling etc.</b></p>	
<p>2(1)(e) "<b>consumer dispute</b>" means a dispute where the person against whom a complaint has been made, denies or disputes the allegations contained in the complaint;</p>	<p>2(1)(e) "consumer dispute" means a dispute where the person against whom a complaint has been made, denies or disputes the allegations contained in the complaint;</p>	<p>No change</p>

2(1)(ee) – new addition after section 2(1)(e)	<b>2(1)(ee) “Consumer Fora” means the National Consumer Forum, State Consumer Forum and the District Consumer Forum.</b>	It is proposed to change the nomenclature of State Commission and National Commission as State Forum and National Forum respectively.
2(1)(f) " <b>defect</b> " means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard which is required to be maintained by or under any law for the time being in force or under any contract, express or implied or as is claimed by the trader in any manner whatsoever in relation to any goods;	2(1)(f) "defect" means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard which is required to be maintained by or under any law for the time being in force or under any contract, express or implied or as is claimed by the trader in any manner whatsoever in relation to any goods;	No change
2(1)(g) "deficiency" <b>means</b> any fault, imperfection, shortcoming or inadequacy in the quality, nature and manner of performance which is required to be maintained by or under any law for the time being in force or has been undertaken to be performed by a person in pursuance of a contract or otherwise in relation to any service;	2(1)(g) "deficiency" <b>means—</b> <b>(i)</b> any fault, imperfection, shortcoming or inadequacy in the quality, nature and manner of performance which is required to be maintained by or under any law for the time being in force or has been undertaken to be performed by a person in pursuance of a contract or otherwise in relation to any service;	The existing provision has been made sub-clause (i) as another sub-clause is being added
2(1)(g)(ii)- new addition after section 2(1)(g) renamed as section 2(1)(g)(i)	<b>“(ii) any act of omission or commission which causes any damage to the consumer on account of negligence or consciously withholding of relevant</b>	This is expected to cover cases where a manufacturer or service provider deliberately



	information to the consumer.”	withholds information.
2(1)(ga) – new addition after section 2(1)(g)	<b>“(ga)“design” means the intended or known physical and material characteristics of a product and shall include any intended or known formulation or content of the product and the usual result of the intended manufacturing or other process used to produce the product.”</b>	It is necessary to define the term in the context of the provisions on product liability being added.
2(1)(gb) – new addition after the new section 2(1)(ga)	After (ga) the word ‘direction’ may be defined by adding (gb) as under:  <b>(gb) “direction” means direction issued by the Central Government to the Consumer Fora.’</b>	Necessary to define the term
2(1)(h) "District Forum" means a Consumer Disputes Redressal Forum established under clause (a) of section 9;	<b>2(1)(h) "District Forum" means a District Consumer Forum established under clause (a) of section 20;</b>	Change of Section number.
2(1)(ha) – new addition after section 2(1)(h)	<b>A new clause 2(1)(ha) as under may be inserted:</b>  <b>‘(ha) “electronic form” shall have the meaning assigned to it under clause(r) of sub-section(1) of section 2 of the Information Technology Act,2000.’</b>	It is proposed to allow on-line filing of cases as well as make it mandatory for the consumer fora to publish the data regarding filing, disposal of complaints etc. on their respective website, it is necessary to define ‘electronic mode’.

2(1)(hh)-New addition after New Sec to 2(1)(ha)	<b>(hh) “electronic intermediary” includes any person who provides technologies and/or process to enable manufacturer, trader and other persons to engage in advertising or selling various goods or services to consumers and shall further include online marketplaces and online auction sites.”</b>	Necessary to define the term.
2(1)(hhh)-New addition after New Sec to 2(1)(hh)	<b>“electronic record” shall have the same meaning as ascribed to it in Information Technology Act, 2000”.</b>	Necessary to define the term.
2(1)(hhhh)- new addition after the new section 2(1)(hhh)	<b>(hhhh) ‘express warranty’ means any material, positive statement, affirmation of fact, promise, or description relating to a product, including any sample or model of a product.”</b>	Necessary to define the term in the context of product liability being included.
2(1)(i) "goods" means goods as defined in the Sale of Goods Act, 1930; (3 of 1930);	2(1)(i) "goods" means goods as defined in the Sale of Goods Act, 1930; (3 of 1930);	No change
2(1)(ia)- new addition after section 2(1)(i)	<b>“(ia) ‘harm’ means:</b> (1) damage to property other than the product itself; (2) personal physical injury, illness, or death; (3) mental anguish or emotional harm <b>attendant to personal physical injuries or illness or damage to property</b> ; or (4) any loss of consortium or services or other loss deriving from any type of harm described in sub-clauses (1) or (2) or (3) of this clause; <b>but shall not include –</b> <b>(a) harm caused to a product</b>	Necessary to define the term in view of the provisions on product liability being added.

	<b>itself;</b> <b>(b) damage to property under a breach of warranty theory;</b> <b>(c) commercial or economic loss, including direct, incidental or consequential damages.</b>	
<p>2(1)(j) "manufacturer" means a person who-</p> <p>(i) makes or manufactures any goods or parts thereof; or</p> <p>(ii) does not make or manufacture any goods but assembles parts thereof made or manufactured by others; or</p> <p>(iii) puts or causes to be put his own mark on any goods made or manufactured by any other manufacturer ;</p>	<p>2(1)(j) "manufacturer" means a person who-</p> <p>(i) makes or manufactures any goods or parts thereof; or</p> <p>(ii) does not make or manufacture any goods but assembles parts thereof made or manufactured by others; or</p> <p>(iii) puts or causes to be put his own mark on any goods made or manufactured by any other manufacturer ;</p> <p><b>“ (iv) in the course of business conducted for that purpose, sells, distributes, leases, installs, prepares, packages, labels, markets, repairs, maintains, or otherwise is involved in placing a product in the stream of commerce; but such term does not include:</b></p> <p><b>(1) any person who is engaged in a business to design, produce, make, fabricate, construct, or remanufacture any product (or component part of a product); or</b></p> <p><b>(2) any product seller not described in sub-section (1) holding itself out as a manufacturer to the user of the product; except that any product seller who acts primarily as a wholesaler, distributor, or retailer of products may be a manufacturer with respect to a given product to the extent that such seller designs,</b></p>	<p>Necessary to add to broaden the definition of manufacturer in the context of the provisions on product liability being added.</p>

	<b>produces, makes, fabricates, constructs, or remanufactures the product before its sale.”</b>	
2(1)(ja)- new addition after section 2(1)(j)	<b>2(1)(ja) ‘mediation’ means the process by which a mediator appointed by the National Forum or a State Forum or a District Forum, as the case may be, mediates the dispute between the parties to the complaint/ appeal by the application of the provisions of Chapter IV of the Act, and in particular, by facilitating discussion between parties directly or by communicating with each other through the mediator, by assisting parties in identifying issues, reducing misunderstandings, clarifying priorities, exploring areas of compromise, generating options in an attempt to solve the dispute and emphasizing that it is the parties’ own responsibility for making decisions which affect them.</b>	Necessary to define the term ‘mediation’ as mediation is being proposed as an Alternate Disputes Redressal mechanism. This will facilitate speedy and inexpensive justice to the consumers.
2(1)(jb)- new addition after new section 2(1)(ja)	<b>2(1)(Jb) “mediator” is a neutral guide who helps the parties to find their own solution to the dispute</b>	Necessary to define the term as a Mediator will be involved in the process of mediation being proposed.
2(1)(jc)- new addition after the new section 2(1)(jb)	<b>‘(jc) “material fact” means any specific characteristic or quality of the product, but does not include a general opinion about, or praise of, the product or its quality.</b>	Necessary to define the terms in the context of product liability.
(jj) "member" includes the President and a member of the National Commission or	(jj) "member" includes the President and a member of the National Forum or a State Forum or a District Forum,	No change

a State Commission or a District Forum, as the case may be;	as the case may be;	
2(1)(k) "National Commission" means the National Consumer Disputes Redressal Commission established under clause (c) of section 9;	<b>(k) "National Forum" means the National Consumer Forum established under clause (c) of section 20;</b>	The change is required in view of the proposed change in nomenclature.
2(1)(m) "person" includes, (i) a firm whether registered or not; (ii) a Hindu undivided family; (iii) a co-operative society; (iv) every other association of persons whether registered under the Societies Registration Act, 1860 (21 of 1860) or not;	<b>To be added after existing sub-clause (iv) as '(v) any individual, corporation, company, association, firm, partnership, society, joint stock company, or any other entity including any government entity or unincorporated association of persons.'</b>	Definition of person needs further expansion in the context of product liability being added.
<b>2(1)(ma) - new addition after section 2(1)(m)</b>	<b>"(ma) "political party" shall have the meaning assigned to it under clause (f) of sub-section 1 of section 2 of Representation of the Peoples Act, 1951."</b>	As it is proposed to debar persons affiliated with political parties from appointment as President and Members in the Consumer Fora, it is necessary to define the term 'political party'.
<b>2(1)(mb)- new addition after the new section 2(1)(ma)</b>	<b>'(mb) 'product' means any object, substance, mixture, or raw material in a gaseous, liquid, or solid state, possessing intrinsic value which is capable of delivery either as an assembled whole or as a component part and is produced for</b>	Necessary to define the terms in the context of product liability.

	introduction to trade or commerce; but such term does not include human tissue, blood and blood products, or organs.	
<b>2(1)(mc)- new addition after new section 2(1)(mb)</b>	<b>“(mc) ‘product liability’ means the responsibility of a manufacturer or vendor of goods to compensate for injury caused by defective merchandise that it has provided for sale;</b>	Necessary to define the terms.
<b>2(1)(md)- new addition after new section 2(1)(mc)</b>	<p><b>‘ (md) “product seller” means:</b></p> <p><b>(1) a manufacturer; or</b></p> <p><b>(2) a person who, in the course of business conducted for that purpose, sells, distributes, leases, installs, prepares, packages, labels, markets, repairs, maintains, or otherwise is involved in placing a product in the stream of commerce; but such term does not include:</b></p> <p><b>(a) a seller of real property, unless that person is engaged in the sale of manufactured housing or in the mass production of dwellings;</b></p> <p><b>(b) a provider of professional services in any case in which the sale or use of a product is incidental to the transaction and the essence of the transaction is the furnishing of judgment, skill, or services; or any person who:</b></p> <p><b>(i) acts in only a financial capacity with respect to the sale of the product;</b></p> <p><b>(ii) is not a manufacturer, wholesaler, distributor, or retailer;</b></p>	Necessary to define the terms in the context of product liability.

	<p>and</p> <p>(iii) leases a product, without having a reasonable opportunity to inspect and discover defects in the product, under a lease arrangement in which the selection, possession, maintenance, and operation of the product are controlled by a person other than the lessor.</p>	
2(1)(n) "prescribed" means prescribed by rules made by the State Government, or as the case may be, by the Central Government under this Act;	2(1)(n) "prescribed" means prescribed by rules made by the State Government, or as the case may be, by the Central Government under this Act;	No change
2(1)(nn) "regulation" means the regulations made by the National Commission under this Act;)	(nn) "regulation" means the regulations made by the <b>Central Government under this Act</b> ;	Regulation making power, now with the National Commission, is proposed to be conferred on the Central Government along with rule making powers conferred on it under Section 30 of the Act. These regulations, however, shall be made by the Central Government in consultation with the National Commission wherever necessary.
2(1)(nnn) "restrictive trade practice" means a trade practice which tends to bring about manipulation of price or its conditions of delivery or	2(1)(nnn) "restrictive trade practice" means a trade practice which tends to bring about manipulation of price or its conditions of delivery or to affect flow of supplies in the market relating to	No change

<p>to affect flow of supplies in the market relating to goods or services in such a manner as to impose on the consumers unjustified costs or restrictions and shall include;</p> <p>(a) delay beyond the period agreed to by a trader in supply of such goods or in providing the services which has led or is likely to lead to rise in the price;</p> <p>(b) any trade practice which requires a consumer to buy, hire or avail of any goods or, as the case may be, services as condition precedent to buying, hiring or availing of other goods or services;</p>	<p>goods or services in such a manner as to impose on the consumers unjustified costs or restrictions and shall include;</p> <p>(a) delay beyond the period agreed to by a trader in supply of such goods or in providing the services which has led or is likely to lead to rise in the price;</p> <p>(b) any trade practice which requires a consumer to buy, hire or avail of any goods or, as the case may be, services as condition precedent to buying, hiring or availing of other goods or services;</p>	
<p><b>2(1)(nnnn)- new addition after section 2(1)(nnn)</b></p>	<p><b>‘(nnnn) “regional office” means the regional office of the Central Consumer Protection Authority.’</b></p>	<p>Necessary to define the term as the proposed Central Consumer Protection Authority will have regional offices. Consumers will be able to approach the Authority through the regional Offices.</p>
<p><b>2(1)(o) "service"</b> means service of any description which is made available to potential users and includes the provision of facilities in connection with banking, financing, insurance, transport, processing, supply of electrical or other energy, telecom , board or lodging or both, housing construction, entertainment, amusement or</p>	<p><b>2(1)(o) "service"</b> means service of any description which is made available to potential users and includes the provision of facilities in connection with banking, financing, insurance, transport, processing, supply of electrical or other energy, <b>telecom</b> , board or lodging or both, housing construction, entertainment, amusement or the purveying of news or other information, but does not include the rendering of any service</p>	<p>Telecom sector is proposed to be added under service.</p>



the purveying of news or other information, but does not include the rendering of any service free of charge or under a contract of personal service;	free of charge or under a contract of personal service;	
<b>2(1)(oa)- new addition after section 2(1)(o)</b>	<b>2(1)(oa) 'settlement' means a final settlement by way of compromise before a mediator, which shall be deemed to be a settlement before National Forum or a State Forum or a District Forum, as the case may be.</b>	Necessary to define the term in the context of mediation.
<b>2(1)(oo) "spurious goods &amp; services"</b> mean such goods and services which are claimed to be genuine but they are actually not so;	2(1)(oo) "spurious goods & services" mean such goods and services which are claimed to be genuine but they are actually not so;	No change
2(1)(p) "State <b>Commission</b> " means a Consumer Disputes Redressal Commission established in a State under clause (b) of section <b>9</b> ;	<b>(p) "State Forum" means a State Consumer Forum established in a State under clause (b) of section 20;</b>	This is necessitated due to the proposed change in nomenclature.
2(1)(q) "trader" in relation to any goods means a person who sells or distributes any goods for sale and includes the manufacturer thereof, and where such goods are sold or distributed in package form, includes the packer thereof;	2(1)(q) "trader" in relation to any goods means a person who sells or distributes any goods for sale and includes the manufacturer thereof, and where such goods are sold or distributed in package form, includes the packer thereof;	No change
2(1)(r) " <b>unfair trade practice</b> " means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or deceptive practice including any of the following	2(1)(r) " <b>unfair trade practice</b> " means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or deceptive practice including any of the following practices, namely:-  (1) the practice of making any statement, whether orally or in writing	The words 'including by way of electronic

<p>practices, namely:-</p> <p>(1) the practice of making any statement, whether orally or in writing or by visible representation which,</p> <p>(i) falsely represents that the goods are of a particular standard, quality, quantity, grade, composition, style or model;</p> <p>(ii) falsely represents that the services are of a particular standard, quality or grade;</p> <p>(iii) falsely represents any re-built, second-hand, renovated, reconditioned or old goods as new goods;</p> <p>(iv) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have;</p> <p>(v) represents that the seller or the supplier has a sponsorship or approval or affiliation which such seller or supplier does not have;</p> <p>(vi) makes a false or misleading representation concerning the need for, or the usefulness of, any goods or services;</p> <p>(vii) gives to the public any warranty or guarantee of the performance, efficacy or length of life of a product or of any goods that is not based on an adequate or proper test thereof: Provided that where a defence is raised to the effect that such warranty or guarantee is based on adequate or proper test, the burden of proof of such defence shall lie on the</p>	<p>or by visible representation <b>including by way of electronic record</b> which,</p> <p>(i) falsely represents that the goods are of a particular standard, quality, quantity, grade, composition, style or model;</p> <p>(ii) falsely represents that the services are of a particular standard, quality or grade;</p> <p>(iii) falsely represents any re-built, second-hand, renovated, reconditioned or old goods as new goods;</p> <p>(iv) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have;</p> <p>(v) represents that the seller or the supplier has a sponsorship or approval or affiliation which such seller or supplier does not have;</p> <p>(vi) makes a false or misleading representation concerning the need for, or the usefulness of, any goods or services;</p> <p>(vii) gives to the public any warranty or guarantee of the performance, efficacy or length of life of a product or of any goods that is not based on an adequate or proper test thereof:</p> <p>Provided that where a defence is raised to the effect that such warranty or guarantee is based on adequate or proper test, the burden of proof of such defence shall lie on the person raising such defence;</p> <p>(viii) makes to the public a representation in a form that purports to be-</p> <p>(i) a warranty or guarantee of a product or of any goods or services; or</p> <p>(ii) a promise to replace, maintain or repair an article or any part thereof or to repeat or continue a service until it has achieved a specified result, if such</p>	<p>record' have been added to cover e-commerce.</p>
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<p>person raising such defence;</p> <p>(viii) makes to the public a representation in a form that purports to be-</p> <p>(i) a warranty or guarantee of a product or of any goods or services; or</p> <p>(ii) a promise to replace, maintain or repair an article or any part thereof or to repeat or continue a service until it has achieved a specified result, if such purported warranty or guarantee or promise is materially misleading or if there is no reasonable prospect that such warranty, guarantee or promise will be carried out;</p> <p>(ix) materially misleads the public concerning the price at which a product or like products or goods or services, have been or 'are, ordinarily sold or provided, and, for this purpose, a representation as to price shall be deemed to refer to the price at which the product or goods or services has or have been sold by sellers or provided by suppliers generally in the relevant market unless it is clearly specified to be .the price at which the product has been sold or services have been provided by the person by whom or on whose behalf the representation is made;</p> <p>(x) gives false or misleading facts disparaging the goods, services or trade of another person.</p> <p>.Explanation.-For the purposes of clause (1), a statement that is</p>	<p>purported warranty or guarantee or promise is materially misleading or if there is no reasonable prospect that such warranty, guarantee or promise will be carried out;</p> <p>(ix) materially misleads the public concerning the price at which a product or like products or goods or services, have been or 'are, ordinarily sold or provided, and, for this purpose, a representation as to price shall be deemed to refer to the price at which the product or goods or services has or have been sold by sellers or provided by suppliers generally in the relevant market unless it is clearly specified to be .the price at which the product has been sold or services have been provided by the person by whom or on whose behalf the representation is made;</p> <p>(x) gives false or misleading facts disparaging the goods, services or trade of another person.</p> <p>Explanation.-</p> <p>For the purposes of clause (1), a statement that is-</p> <p>(a) expressed on an article offered or displayed for sale, or on its wrapper or container; or</p> <p>(b) expressed on anything attached to, inserted in, or accompanying, an article offered or displayed for sale, or on anything on which the article is mounted for display or sale; or</p> <p>(c) contained in or on anything that is sold, sent, delivered, transmitted or in any other manner whatsoever made available to a member of the public, shall be deemed to be a statement made to the public by, and only by, the person who had caused the statement to be so expressed, made or contained;</p>	
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<p>(a) expressed on an article offered or displayed for sale, or on its wrapper or container; or</p> <p>(b) expressed on anything attached to, inserted in, or accompanying, an article offered or displayed for sale, or on anything on which the article is mounted for display or sale; or</p> <p>(c) contained in or on anything that is sold, sent, delivered, transmitted or in any other manner whatsoever made available to a member of the public, shall be deemed to be a statement made to the public by, and only by, the person who had caused the statement to be so expressed, made or contained;</p> <p>(2) permits the publication of any advertisement whether in any newspaper or otherwise, for the sale or supply at a bargain price, of goods or services that are not intended to be offered for sale or supply at the bargain price, or for a period that is, and in quantities that are, reasonable, having regard to the nature of the market in which the business is carried on, the nature and size of business, and the nature of the advertisement.</p> <p>Explanation.-For the purpose of clause (2), "bargaining price" means</p> <p>(a) a price that is stated in any advertisement to be a bargain price, by reference to an ordinary price or</p>	<p>(2) permits the publication of any advertisement whether in any newspaper or otherwise <b>including by way of electronic record</b>, for the sale or supply at a bargain price, of goods or services that are not intended to be offered for sale or supply at the bargain price, or for a period that is, and in quantities that are, reasonable, having regard to the nature of the market in which the business is carried on, the nature and size of business, and the nature of the advertisement.</p> <p>Explanation.-For the purpose of clause (2), "bargaining price" means</p> <p>(a) a price that is stated in any advertisement to be a bargain price, by reference to an ordinary price or otherwise, or</p> <p>(b) a price that a person who reads, hears or sees the advertisement, would reasonably understand to be a bargain price having regard to the prices at which the product advertised or like products are ordinarily sold;</p> <p>(3) permits-</p> <p>(a) the offering of gifts, prizes or other items with the intention of not providing them as offered or creating impression that something is being given or offered free of charge when it is fully or partly covered by the amount charged, in the transaction as a whole; the conduct of any contest, lottery, game of chance or skill, for the purpose of promoting, directly or indirectly, the sale, use or supply of any product or any business interest;</p> <p>(3A) withholding from the participants of any scheme offering gifts, prizes or other items free of charge on its closure the information about final results of the scheme.</p>	
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<p>otherwise, or</p> <p>(b) a price that a person who reads, hears or sees the advertisement, would reasonably understand to be a bargain price having regard to the prices at which the product advertised or like products are ordinarily sold;</p> <p>(3) permits-</p> <p>(a) the offering of gifts, prizes or other items with the intention of not providing them as offered or creating impression that something is being given or offered free of charge when it is fully or partly covered by the amount charged ,in the transaction as a whole; the conduct of any contest, lottery, game of chance or skill, for the purpose of promoting, directly or indirectly, the sale, use or supply of any product or any business interest;</p> <p>(3A) withholding from the participants of any scheme offering gifts, prizes or other items free of charge on its closure the information about final results of the scheme.</p> <p>Explanation: for the purpose of this sub clause, the participants of a scheme shall be deemed to have been informed of the final results of the scheme where such results are within a reasonable time published, prominently in the same newspaper in which the scheme was originally advertised;</p>	<p>Explanation.- for the purpose of this sub clause, the participants of a scheme shall be deemed to have been informed of the final results of the scheme where such results are within a reasonable time published, prominently in the same newspaper in which the scheme was originally advertised;</p> <p>(4) permits the sale or supply of goods intended to be used, or are of a kind likely to be used, by consumers, knowing or having reason to believe that the goods do not comply with the standards prescribed by competent authority relating to performance, composition, contents, design, constructions, finishing or packaging as are necessary to prevent or reduce the risk of injury to the person using the goods;</p> <p>(5) permits the hoarding or destruction of goods, or refuses to sell the goods or to make them available for sale or to provide any service, if such hoarding or destruction or refusal raises or tends to raise or is intended to raise, the cost of those or other similar goods or services;</p> <p>(6) manufacture of spurious goods or offering such goods for sale or adopting deceptive practices in the provision of services;</p>	
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<p>(4) permits the sale or supply of goods intended to be used, or are of a kind likely to be used, by consumers, knowing or having reason to believe that the goods do not comply with the standards prescribed by competent authority relating to performance, composition, contents, design, constructions, finishing or packaging as are necessary to prevent or reduce the risk of injury to the person using the goods;</p> <p>(5) permits the hoarding or destruction of goods, or refuses to sell the goods or to make them available for sale or to provide any service, if such hoarding or destruction or refusal raises or tends to raise or is intended to raise, the cost of those or other similar goods or services.</p> <p>(6) Manufacture of spurious goods or offering such goods for sale or adopting deceptive practices in the provision of services;</p>		
<p>2(1)(r)(7)- new addition after section 2(1)(r)(6)</p>	<p><b>“(7) after selling such goods or rendering of such services, fails to issue bill or cash memo or receipt for the goods sold or service rendered or even if so issued without mentioning the name of the purchaser”.</b></p>	<p>Since the bill/ cash memo being an important instrument in the hands of a consumer to prove that he is a bonafide consumer, it is felt necessary to specify refusal of a bill as an unfair trade practice to protect the</p>

		consumers.
2(1)(r)(8) – new addition after new section 2(1)(r)(7)	<b>‘(8) after selling such goods and rendering of such services, refuses to take back or withdraw the goods or withdraw or discontinue the service and refuses to refund the consideration thereof , if paid, within a period of thirty days after the receipt of goods or availing of services it is so requested by the consumer’.</b>	This provision would enable the consumer to file the complaint against those sellers who sell their products and services through e-commerce and telemarketing, etc. who do not take back the goods or services if found defective by the consumers on its receipt in as much as the products and services are not seen / inspected or examined by them and simply purchased through advertisements.
<b>2(1)(r)(9)- new addition</b> after new section 2(1)(r)(8)	<b>‘(9) discloses to any other person any personal information given in confidence by the consumer’ provided that disclosure of personal information under provisions of any law in force or in public interest shall not be construed as a deficiency of service’.</b>	The new provision in sub-section 9 would protect consumers against the wide spread menace of piracy of personal data given in confidence with by the consumer, which compromises the position of the consumer and for the reason that the banks are under legal obligations under various Acts

		like Credit Information Companies (Regulation) Act, 2005, Prevention of Money Laundering Act, 2002 to share information with certain agencies.
<b>New proviso added after section 2(1)(r)</b>	<b>“Provided that an electronic intermediary shall not be said to have engaged in ‘unfair trade practice’ if it facilitates, and to the extent it facilitates, the manufacturer, trader or other persons who uses such electronic intermediary for advertising, selling or providing of goods or services.”</b>	
<b>2(1)(s)- new addition after section 2(1)(r)</b>	<p><b>(s) ‘unfair contract’ means a contract which contains any one or more of the following types of clauses:</b></p> <p><b>(i) requires manifestly excessive security deposits to be given by a party to the contract for the performance of contractual obligations; or</b></p> <p><b>(ii) impose any penalty on a party to the contract for the breach thereof which is wholly disproportionate to the loss occurred due to such breach to the other party to the contract; or</b></p> <p><b>(iii) refuses to accept early repayment of debts on payment of applicable penalty;</b></p> <p><b>(iv) entitles a party to the contract to terminate without reasonable cause the contract unilaterally.</b></p> <p><b>(v) prohibiting contract relating to terms permitting or having the</b></p>	This provision is intended to protect consumers who are placed in an unequal bargaining capacity by making ‘unfair contract’ which is also one of the grounds for filing consumer complaint in the consumer Fora.



	effect of permitting one party to assign the contract to the detriment of the other party without that other party's consent.	
<b>2(1)(t)- new addition after new section 2(1)(s)</b>	<b>'(t) "unsafe" means goods, services and practices that could cause physical or mental injury or any loss or damage to any property movable or immovable.</b>	The term unsafe was not defined. Hence the requirement for a definition.

**CHAPTER –II**  
**CONSUMER PROTECTION COUNCILS**

Existing provision	Proposed amendment/provision	Justification/benefit
<p><b>4.The Central Consumer Protection Council.-</b></p> <p>(1) The Central Government shall, by notification, establish with effect from such date as it may specify in such notification, a Council to be known as the Central Consumer Protection Council (hereinafter referred to as the Central Council).</p> <p>(2) The Central Council shall consist of the following members, namely :-</p> <p>(a) the Minister in charge of the Consumer Affairs in the Central Government, who shall be its Chairman, and</p> <p>(b) such number of other official or non-official members representing such interests as may be prescribed.</p>	<b>No Change</b>	
<p><b>5: Procedure for meetings of the Central Council --</b></p> <p>(1) The Central Council shall meet as and when necessary, but at least one meeting of the Council shall be held every year.</p> <p>(2) The Central Council shall meet at such time and place as the Chairman may think fit and shall observe such procedure in regard to the transaction of its business as may be prescribed.</p>	No change.	
<p><b>6. Objects of the Central Council.-</b></p> <p>The objects of the Central Council shall be to promote and protect the rights of the consumers such as –</p> <p>(a) the right to be protected against the marketing of goods and services which are hazardous to life and property;</p> <p>(b) the rights to be informed about the quality, quantity, potency, purity, standard and price of goods or services, as the case</p>	No change	

<p>may be, so as to protect the consumer against unfair trade practices;</p> <p>(c) the right to be assured, wherever possible, access to a variety of goods and services at competitive prices;</p> <p>(d) the right to be heard and to be assured that consumer's interests will receive due consideration at appropriate fora;</p> <p>(e) the right to seek redressal against unfair trade practices or restrictive trade practices or unscrupulous exploitation of consumers; and</p> <p>(f) the right to consumer education.</p>		
<p><b>7. The State Consumer Protection Councils.-</b></p> <p>(1) The State Government shall, by notification, establish with effect from such date as it may specify in such notification, a Council to be known as the Consumer Protection Council for ..... (hereinafter referred to as the State Council).</p> <p>(2) The State Council shall consist of the following members, namely :-</p> <p>(a) the Minister in charge of consumer affairs in the State Government who shall be its Chairman;</p> <p>(b) such number of other official or non-official members representing such interests as may be prescribed by the State Government.</p> <p>(c) such number of other official or non-official members, not exceeding ten, as may be nominated by the Central Government.]</p> <p>(3) The State Council shall meet as and when necessary but not less than two meetings shall be held every year.</p> <p>(4) The State Council shall meet at such time and place as the Chairman may think fit and shall observe such procedure in regard to the transaction of its business as may be prescribed by the State Government.</p>	<p><b>No change</b></p>	
<p><b>8. Objects of the State Council:</b> The objects of every State Council shall be to promote and protect within the State the rights</p>	<p>No change</p>	

of the consumers laid down in clauses (a) to (f) of Section 6.		
<p><b>8A. The District Consumer Protection Council:</b></p> <p>(1) The State Government shall establish for every district, by notification, a council to be known as the District Consumer Protection Council with effect from such date as it may specify in such notification.</p> <p>(2) The District Consumer Protection Council (hereinafter referred to as the District Council) shall consist of the following members, namely :-</p> <p>(a) The Collector of the district (by whatever name called), who shall be its Chairman; and</p> <p>(b) Such number of other official and non-official members representing such interests as may be prescribed by the State Government.</p> <p>(3) The District Council shall meet as and when necessary but not less than two meetings shall be held every year.</p> <p>(4) The District Council shall meet at such time and place within the district as the Chairman may think fit and shall observe such procedure in regard to the transaction of its business as may be prescribed by the State Government.</p>	No change	
<p><b>8B. Objects of the District Council:</b></p> <p>The objects of every District Council shall be to promote and protect within the district the rights of the consumers laid down in clauses (a) to (f) of Section 6.</p>	No change	

## CHAPTER –III

### CONSUMER PROTECTION AUTHORITY

(a new chapter being added after the existing Chapter- II)

Existing provision	Proposed amendment/provision	Justification/benefit
	<p><b>9.Establishment of Central Consumer Protection Authority.-</b></p> <p>(1) The Central Government shall, by notification, establish with effect from such date as it may specify in such notification, an executive agency to be known as the Central Consumer Protection Authority (hereinafter referred to as the Authority) to promote, protect and enforce the rights of consumers enshrined in the Act.</p> <p>(a) The Central Authority shall be headed by a Commissioner. The post of Commissioner shall be of the level of Secretary in the Government of India.</p> <p>(b) The Commissioner shall be appointed by the Central Government from among persons, who are not below the age of forty five years and who are holding or have held a post equivalent to the post of Secretary to the Government of India, in the Central Government or in any State Government or in any Central or State Public Sector Undertaking, Autonomous Bodies, Universities etc. and also persons in private sector or persons not in formal employment in any organization or professionals who are persons of eminence in public/social life, who shall be persons of ability, integrity and standing having special knowledge of and such professional experience of not less than fifteen years in the areas related to the consumers' rights and welfare, consumers' policy with international exposure, law, economics, business, commerce, industry etc.</p> <p>(c) There shall be five Deputy Commissioners under the Commissioner to assist him in the functioning of the Central Authority.</p>	<p>It is being proposed to establish an Executive Agency, namely "Central Consumer Protection Authority". This will enable prevention of exploitation of consumers and violation of their rights and to promote, protect and enforce the rights of consumers.</p>

	<p>(d) The Deputy Commissioners shall be appointed from among the persons who are not below the age of forty years and who are holding or have held a post equivalent to the post of Joint Secretary to the Government of India, in the Central Government or in any State Government or in any Central or State Public Sector Undertaking, Autonomous Bodies, Universities etc. and also persons in private sector or persons not in formal employment in any organisation or professionals who are persons of eminence in public/ social life with specialization or having adequate and expert knowledge with minimum experience of ten years in any of the areas such as consumers rights and welfare, consumer policy, law, medicine, food safety, health, engineering, product safety, commerce, economics, public affairs or administration.</p> <p>(2) Each of the Deputy Commissioners shall head any one of the following five Bureaus in which she/ he has experience and expert knowledge:</p> <ul style="list-style-type: none"> <li>(a) Safety in goods and services</li> <li>(b) Unfair trade practices, including misleading advertisements</li> <li>(c) Quality assurance and standards</li> <li>(d) Prevention of consumer detriment and unfair terms in consumer contracts and</li> <li>(e) Enforcement of consumer protection laws</li> </ul> <p>(2) The Commissioner shall have the powers of general superintendence, direction and control in respect of all administrative matters of the Authority.</p> <p>(3) The Commissioner and the five Deputy Commissioners shall be appointed by the Central Government on the recommendation of a Selection Committee and shall hold office for a period of five years or upto the age of sixty five years, whichever is earlier. The Selection Committee shall consist of :</p> <ul style="list-style-type: none"> <li>(a) Secretary of the Department of Consumer Affairs in the Government of India</li> <li>-Member</li> </ul>	
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	<p>(b) Secretary, Ministry of Law, Department of Legal Affairs in the Government of India -- Member</p> <p>(c) Secretary, Ministry of Home Affairs, Government of India -- Member</p> <p>(3) The Authority may appoint such officers, experts, professionals, as it may deem necessary for the efficient performance of its functions.</p>	
	<p><b>10. Place of work and office hours. –</b></p> <p>(1) The office of the Central Consumer Protection Authority shall be located in Delhi and the office hours of the Central Authority shall be the same as the office hours of the Central Government.</p> <p>(2) The full Authority comprising the Commissioner and the five Deputy Commissioners shall sit once in a week to decide on :</p> <ul style="list-style-type: none"> <li>a) such matters in which the area of expertise of a Bureau overlaps the area of expertise of another bureau and both the Bureaus have or are likely to have different views or perception of the matter;</li> <li>b) the appeals filed before the Central Authority on the orders of a Deputy Commissioner at the headquarters or on the orders of a Deputy Commissioner at any of the Regional Offices of the Central Authority.</li> </ul>	Necessary to specify.
	<p><b>11. The objects of the Central Consumer Protection Authority.</b> The objects of the Central Authority shall be</p> <p>(1) to protect and enforce the rights of consumers such as the right to be protected against the marketing of goods / products and services which are unsafe or hazardous to life and property; the rights to be informed about the quality, quantity, potency, purity, standard and price of goods or services, as the case may be;</p> <p>(2) to prevent unfair trade practices as defined under section 2(1)( r).</p> <p>(3) to ensure that no advertisement is made of any goods or services which is misleading or deceiving or contravenes the provisions of this Act and rules and regulations made under</p>	It is necessary to lay down the objects of the Central Consumer Protection Authority for furtherance of the aims and objectives sought to be achieved in the Act.

	<p>it.</p> <p>(4) to ensure that no person engages himself in unfair trade practices or takes part in the publication of any advertisement which is false or misleading.</p>	
	<p><b>Section 12: Functions and powers of the Authority. -</b></p> <p><b>(1) Functions of the Authority:</b></p> <p>a) Inquire suo-motu or on a complaint or a direction from the Government or the Parliament or the judiciary, violations of consumer rights enumerated in the Consumer Protection Act.</p> <p>b) Intervene in any proceeding in any allegation of violation of consumer rights before a court, with the permission of such a court.</p> <p>c) Review factors that inhibit the enjoyment of consumer rights and recommend appropriate remedial measures</p> <p>d) Study existing laws and their enforcement and suggest changes to make the same more efficacious</p> <p>e) Review safeguards provided under the Constitution or any law for the time being in force for the protection of consumers and recommend measures for their effective implementation</p> <p>f) Study international practices, laws, covenants on consumer rights and make recommendations for their adoption wherever necessary, to ensure effective enforcement of consumer rights</p> <p>g) Undertake and promote research in the field of consumer rights</p> <p>h) Spread and promote awareness about the rights of consumers and consumers' literacy</p> <p>i) Encourage efforts of non-governmental organizations and other institutions working in the field of consumer rights</p>	<p>The functions and powers of the Authority are required to be specified to function effectively.</p>



	<p>j) Cooperate and work with consumer protection agencies worldwide and take part in international conferences and seminars in this area</p> <p>k) Monitor practices inimical to consumer interest and take adequate measures to prevent them</p> <p><b>(2) Powers of the Authority:</b></p> <p>a) Conduct investigations, either suo-motu or on a complaint, into violations of consumer rights enumerated in the Consumer Protection Act, 1986, conduct search and seizure of documents/records/articles and other forms of evidence, summon delinquent manufacturers, advertisers and service providers and to record oral evidence and direct production of documents and records, all of the foregoing powers to be exercised in accordance with the rules issued under this Act.</p> <p>b) Order, on the basis of such investigations, recall of goods found to be unsafe requiring use of unique and universal goods identifiers(GTIN's) or withdrawal of services found to be unsafe or hazardous and order reimbursement of the price of the goods (or services) so recalled, to purchasers of such goods or services.</p> <p>c) Issue safety notices and alerting consumers against unsafe goods/services.</p> <p>d) Direct, on the basis of its investigations, for discontinuation of practices found to be unfair and prejudicial to consumer interest.</p> <p>e) Order withdrawal of advertisements found to be false or misleading and direct issuance of corrective advertisements, wherever necessary.</p> <p>f) Declare as null and void, terms in consumer contracts found to be unfair to the consumer.</p> <p>g) Accept an undertaking from those who may have breached the law, that they would desist from such conduct in future and enforce the undertaking</p>	
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	<p>h) File class action suits at National Forum. There shall be an exclusive Bench in the National Forum to hear class action suits filed by the Central Authority for speedy adjudication of the matter.</p> <p>i) Draw up code of conduct or fair business practices and direct the business to comply with the same.</p> <p>j) Take criminal matters to the court of competent jurisdiction.</p> <p>k) Impose administrative penalty on those found violating any of the provisions of such laws which seek to protect the interest of the Consumers e.g. the Consumer Protection Act, 1986, the Legal Metrology Act, 2009 etc. The following factors inter-alia will be taken into account by the Central Authority in determining the amount of administrative monetary penalty:</p> <p>(1) the impact of the violation with respect to population and area affected,</p> <p>(2) the frequency and duration of the violation,</p> <p>(3) the vulnerability of the class of persons likely to be adversely affected by the violation, and</p> <p>(4) the gross revenue from sales effected by the conduct.</p> <p>(l) Take cognizance of misleading advertisements</p> <p>(m) Enforce injunctions against conduct of the industry for exploiting consumers' interest.</p> <p>(n) Advise Ministries and Departments on Consumer Welfare measures</p> <p><b>(3) Powers of the Authority to inquire into unfair trade practices and misleading advertisement.-</b></p> <p><b>(1)</b> The Authority shall inquire into unfair trade practices and any false or misleading advertisement which may come before it for inquiry or upon its own information or knowledge and, if after such inquiry, it is of opinion that the trade practice is unfair or the advertisement is prejudicial to the public interest, or to the interest of any consumer or consumers in general or the advertisement is in contravention of the rights</p>	
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	<p>of the consumers, it may, by order direct that -</p> <p>(a) the trade practice or the advertisement shall be discontinued or shall not be repeated;</p> <p>(b) the trade practice or the advertisement shall stand modified in such manner as may be specified in the order;</p> <p>(2) The Authority may, instead of making any order under this section, permit any party to continue the trade practice or the advertisement, if it so applies and takes such steps within the time specified by the Authority as may be necessary to ensure that the trade practice or the advertisement is no longer prejudicial to the public interest or to the interest of any consumer or consumers in general</p> <p>(3) Whoever contravenes the restrictions on unfair trade practice or misleading advertisements as provided in section 11 and</p> <p>(4) Whoever contravenes any of the provisions of this Act or the rules made thereunder repeatedly shall be punishable with such fine as decided to be appropriate by the Authority and wherever considered appropriate the violation may be reported to local police/ law and order authority for criminal prosecution against such offenders.</p>	
	<p><b>13. Regional Offices.-</b> (1) The Authority may have such number of regional offices and the location of such offices as may be notified by the Central Government from time to time for the purpose of suo-motu investigations into anti-consumer conduct and also to investigate into the complaint of a consumer and take appropriate action in accordance with powers conferred on the Authority under Section 12 of this Act.</p> <p>(2) Each regional office shall be headed by an officer of the level of Deputy Commissioner. The Deputy Commissioner at the regional office shall be competent to exercise the powers of the Central Authority in the States covered in the region. He will be competent to file consumer suits in the District Consumer Fora and State Consumer Fora within his region.</p> <p>(3) At district level the powers of the Central Authority shall be exercised by the District Collector/Magistrate concerned who can suo-motu or otherwise investigate into a matter for protection as well as enforcement of the rights of the consumers and each District Collector/Magistrate shall submit a monthly report of action taken to the Deputy Commissioner of the region concerned.</p>	<p>For effective discharge of the functions and powers being entrusted upon the Central Authority there needs to be regional offices of the Authority in the country. The consumers will be able to approach the Authority through their nearest regional offices.</p>
	<b>14. Pay and allowances of the Commissioner and Deputy</b>	Necessary to specify the

	<p><b>Commissioners.- (1)</b> The pay and allowances of the Commissioner shall be of the level of Secretary to the Government of India and that of the Deputy Commissioners shall be of the level of Joint Secretary in the Central Government.</p> <p>(2) All the expenditure of the Authority shall be met from the Consolidated Fund of India.</p>	<p>salary and allowances of the Commissioner and Deputy Commissioner.</p>
	<p><b>15. Removal of the Commissioner and Deputy Commissioners.-</b></p> <p>(1)The Central Government may remove the Commissioner and any Deputy Commissioner, who -</p> <p>(a) has been adjudged as an insolvent; or</p> <p>(b) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or</p> <p>(c) has become physically or mentally incapable of acting as the Commissioner or Deputy Commissioner; or</p> <p>(d) has acquired such financial or other interest as is likely to affect prejudicially his functions as the Commissioner or a Deputy Commissioner; or</p> <p>(e) has so abused his position as to render his continuance in office prejudicial to the public interest ;or</p> <p>(f) remain absent in three consecutive sittings except for reasons beyond his control.</p> <p>(g) serious allegations of any commission or omission amounting to corruption.</p> <p>(2) Notwithstanding anything contained in sub-section (1) of section 15, the Commissioner and any Deputy Commissioner shall not be removed from his office except by an order made by the Central Government on the grounds specified in clauses (d), (e), (f) and (g) of above sub-section and after an inquiry held by a Committee comprising President, National Consumer Disputes Redressal Forum and the Additional Secretary, Consumer Affairs as per the prescribed</p>	<p>Grounds of removal are required to be prescribed to avoid arbitrariness.</p>

	procedure.	
	<p><b>16. Filing of Complaint and its Disposal.-</b></p> <p>(1) A consumer may file his complaint in writing or through email, as the case may be, either to the District Collector concerned, or to the Deputy Commissioner in the Regional Office concerned or to the Central Authority with an undertaking that he/she/it/ has made her complaint to only one of the aforesaid offices.</p> <p>(2) In the Central Authority, the Deputy Commissioner concerned with the subject matter of the complaint shall look into the complaint and take appropriate action in accordance with the powers conferred on the Authority under Section 12.</p> <p>(3) All the fines imposed and recovered by the regional offices and the Central Authority at the head office shall be credited to the Consumer Welfare Fund of the Central Government. All the fines imposed and recovered by the District Collector shall be credited to the Consumer Welfare Fund of the State Government concerned.</p> <p>(4) A complaint filed by a consumer shall be registered by the office of the District Collector or the Regional Office or Central Authority, as the case may be, the same day when a complaint is received during office hours and an acknowledgement shall be sent to the consumer within a week.</p> <p>(5) The complaint shall be disposed of within a month but if any complaint cannot be disposed within a month for factors beyond the control of the authority concerned, such authority must seek extension of time with adequate convincing justifications before expiry of one month from the date of registration of the complaint in which case the competent authority shall not extend time for disposal of the complaint for more than thirty days. No extension can be granted beyond this period for disposal.</p> <p>(6) The competent authority to grant extension of time for disposal of complaint is the Deputy Commissioner at the Regional Office in case of District Collector and the full</p>	<p>In the new system of Central Consumer Protection Authority, a consumer is required to file complaint to the designated officer and therefore, it is necessary to lay down the procedure for filing of complaint by a consumer. This will lead to speedy disposal of consumer complaints.</p>

	<p>Authority in case of the a request by a Deputy Commissioner at the Regional Office or Head Office.</p> <p>(7) Non-disposal of a complaint within the extended period will be treated as inefficiency and lack of performance on the part of the concerned officials/ officers in charge and will be entered in their annual performance report and for sustained non-performance an officer/ official may be removed from office.</p>	<p>Keeping speedy disposal of consumer complaints in view, action has been proposed against the officers concerned in the case of delay.</p>
	<p><b>17. Appeal.-</b></p> <p>(a) Appeal against the decision of the District Collector/ District Magistrate shall lie to the Deputy Commissioner at the regional office concerned,</p> <p>(b) Appeal against the decision of the Deputy Commissioner of any regional office or at the Head Office of the Central Authority shall lie to the Commissioner at the Central Authority.</p>	<p>It is necessary to provide for appellant authorities.</p>
	<p><b>18. Non-Compliance with the Orders of the Central Authority.-</b></p> <p>(1)The Authority may cause an inquiry to be made into compliance of its orders or directions made in exercise of its powers under the Act.</p> <p>(2) If any person, without reasonable cause, fails to comply with the orders or directions of the Authority issued under section 12 of the Act, he shall be punishable with a fine which may extend to rupees ten thousand for each day during which such non-compliance occurs, subject to a maximum of rupees one lakh, as the Authority may determine.</p> <p>(3) If any person does not comply with the orders or directions issued, or fails to pay the fine imposed under sub-section (2), he shall, without prejudice to any legal proceeding, be punishable with imprisonment for a term which may extend to three months, or with a fine which may extend to rupees five lakh, or with both, as the competent court may deem fit:</p> <p>Provided that the competent court shall not take cognizance of any offence under this section save on a complaint filed by the Authority or any of its officers authorized</p>	<p>This is intended to ensure implementation of the orders of the Central Authority.</p>

	by it.	
	<p><b>19. Miscellaneous.-</b></p> <p>(1) The Central Authority shall work in coordination with the investigation and enforcement wings of various Central and State Agencies such as Bureau of Indian Standards, Legal Metrology and Income Tax Department and the Law and Order Agencies concerned of the States concerned.</p> <p>(2) The Central Authority shall submit a monthly report on its functioning and performance and such other reports and returns as may be directed to be submitted, to the Central Government and shall comply with such directions/ instructions as may be issued by the Central Government from time to time.</p> <p>(4) In the discharge of its function the Central Authority shall be guided by the principle of natural justice and subject to the other provisions of the Act and of any rules made by the Central Government, the Central Authority shall have power to regulate its own procedure.</p>	<p>Coordination with authorities concerned will facilitate effective functioning of the Central Authority.</p> <p>This will enable the Central Government to monitor the functioning of the Central Authority.</p>

**CHAPTER-IV**  
**CONSUMER DISPUTES REDRESSAL AGENCIES**  
**(Existing Chapter III renamed as Chapter IV)**

<p><b>9. Establishment of Consumer Disputes Redressal Agencies.</b> - There shall be established for the purposes of this Act, the following agencies, namely:—</p> <p>(a) a Consumer Disputes Redressal Forum to be known as the "District Forum" established by the State Government in each district of the State by notification:</p> <p>Provided that the State Government may, if it deems fit, establish more than one District Forum in a district.</p> <p>(b) a Consumer Disputes Redressal <b>Commission</b> to be known as the "State <b>Commission</b>" established by the State Government in the State by notification; and</p> <p>(c) a National Consumer Disputes Redressal <b>Commission</b> established by the Central Government by notification.</p>	<p><b>20. Establishment of Consumer Disputes Redressal Agencies.</b> - There shall be established for the purposes of this Act, the following agencies, namely:—</p> <p>(a) a <b>District Consumer Forum to be known as the "District Forum"</b> established by the State Government in each district of the State by notification:</p> <p>Provided that the State Government may, if it deems fit, establish more than one District Forum in a district.</p> <p>(b) a <b>State Consumer Forum to be known as the "State Forum"</b> established by the State Government in the State by notification; and</p> <p>(c) a <b>National Consumer Forum established by the Central Government to be known as the National Forum by notification; and</b></p> <p>(d) The District Forum, the State Forum and the National Forum together shall be known as the Consumer Forum to be shortly called as the Forum.</p>	<p>It is proposed to change the nomenclature of the State Commission and the National Commission to State Forum and National Forum respectively and accordingly, the word in sub-sections (b) and (c) has been substituted by the word 'Forum'.</p>



	<p><b>Provided further that in a district where no District Forum has been established or if established, there exists at any time vacancy in the office of the President or a Member, in such case, the State Government may, by notification, direct that –</b></p> <p><b>(a) A District Forum, as specified in the notification, shall exercise the jurisdiction in respect of such District Forum as may be specified in the notification; or</b></p> <p><b>(b) The President or a Member of a District Forum, as the case may be, shall exercise the power or discharge the functions of the President or the Member, as the case may be, of any other District Forum as may be specified in the notification.</b></p>	<p>This provision is considered necessary to allow State Governments the flexibility to club neighboring District Forum, as also to give additional charge to the President/ Members to hear cases in more than one District Forum so as to effectively deal with the non-functionality of District Forum caused due to vacancy of President/ Member.</p> <p>This will facilitate speedy disposal of cases and help reduce pendency.</p>
<p><b>10. Composition of the District Forum. —</b> (1) Each District Forum shall consist of,—</p> <p>(a) a person who is, or has been, or is qualified to be a District Judge, who shall be its President;</p>	<p><b>21. Composition of the District Forum. —</b> (1) Each District Forum shall consist of,—</p> <p>(a) a person who is, or has been, or is qualified to be not less than a District Judge or a Joint Secretary in the State or equivalent, who shall be its President;</p>	No change
<p>(b) two other members, one of whom shall be a woman, who shall have the following qualifications, namely:—</p>	<p><b>(b) not less than two and not more than such number of members , as may be prescribed , at least one of whom shall be a</b></p>	<p>This provision is being made to allow State Governments to appoint more than two members</p>

	<b>woman, who shall have the following qualifications, namely:—</b>	, as the concept of 'Bench' and 'Circuit Benches' is being extended to District Forum also. The insertion of the words "at least" would clarify that more than one woman can be appointed as a member in the District Forum. The ceiling on number of members is lifted to allow facilitating disposal of pending cases.
(i) be not less than thirty-five years of age,  (ii) possess a bachelor's degree from a recognized university,	(i) be not less than thirty five years of age,  (ii) possess a bachelor's degree from a recognized university;	No change
(iii) be persons of ability, integrity and standing, and have adequate knowledge and experience of at least ten years in dealing with problems relating to economics, law, commerce, accountancy, industry, public affairs or administration:	(iii) be persons of ability, integrity and standing, and have adequate knowledge and experience of at least ten years in dealing with problems relating to economics, law, commerce, accountancy, industry, <b>consumer</b> affairs or administration.	Qualification suited to the area of activity is proposed to be prescribed.
Provided that a person shall be disqualified for appointment as a member, if he—  (a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the State Government involves moral turpitude; or  (b) is an undischarged insolvent;	Provided that a person shall be disqualified for appointment as a member <b>or for continuation as such</b> , if he—  (a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the State Government, involves moral turpitude; or	For continuation as a Member the criteria of disqualification will also apply.

<p>or</p> <p>(c) is of unsound mind and stands so declared by a competent court; or</p> <p>(d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or</p> <p>(e) has, in the opinion of the state Government, such financial or other interest as is likely to affect prejudicially the discharge by him of his functions as a member; or</p> <p>(ee)- new addition</p> <p>(f) has such other disqualifications as may be prescribed by the State Government;</p>	<p>(b) is an undischarged insolvent; or</p> <p>(c) is of unsound mind and stands so declared by a competent court; or</p> <p>(d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or</p> <p>(e) has, in the opinion of the state Government, such financial or other interest as is likely to affect prejudicially the discharge by him of his functions as a member; or</p> <p><b>(ee) is or continues to be, after appointment, a member or office bearer of any political party; or</b></p> <p>(f) has such other disqualifications as may be prescribed <b>by the Central Government by notification from time to time.</b></p>	<p>Members of political parties are proposed to be debarred from becoming President or Members of the Consumer Fora.</p> <p>This is being proposed to have uniformity in the provision for disqualification.</p>
<p>(1A) Every appointment under sub-section (1) shall be made by the State Government on the recommendation of a selection committee consisting of the following, namely:—</p> <p>(i) the President of the State</p>	<p>(1A) (a) Every appointment under sub-section (1) <b>for the post of President and Members of the District Forum shall be made by the State Government on the recommendation of the State Public Service Commission which may be assigned the job</b></p>	<p>To make the selection process more transparent and efficient. Eligible and efficient candidates will get appointed to the posts of President/Members of</p>

<p><b>Commission</b> — Chairman.</p> <p>(ii) Secretary, Law Department of the State — Member.</p> <p>(iii) Secretary in charge of the Department dealing with Consumer Affairs in the State — Member.</p> <p>Provided that where the President of the State Commission is, by reason of absence or otherwise, unable to act as Chairman of the Selection Committee, the State Government may refer the matter to the Chief Justice of the High Court for nominating a sitting Judge of that High Court to act as Chairman.</p>	<p><b>by the State Government.</b></p> <p>(b) <b>The State Public Service Commission shall invite applications from the eligible candidates for the posts of President and Members separately.</b></p> <p>(c) <b>For selection to the post of President the State Public Service Commission shall conduct a viva-voce examination and make selection on the basis of such examination and submit a panel of candidates selected in order of merit to the State Government recommending for appointment to the post of President.</b></p> <p>(d) <b>For selection to the post of Members the State Public Service Commission shall conduct a written examination and a personal interview. On the basis of the performance of the candidates in the written examination and personal interview, the State Public Service Commission shall make selection of candidates and submit a panel of candidates selected in order of merit to the State Government recommending for appointment to the post of Members.</b></p>	<p>Consumer Fora.</p> <p>Procedure to be adopted by the State Public Service Commission for the selection is proposed to be prescribed.</p>
<p>(2) Every member of the District Forum shall hold office for a term of</p>	<p>(2) Every member of the District Forum shall hold office for</p>	

<p>five years or up to the age of sixty-five years, whichever is earlier:</p> <p>Provided that a member shall be eligible for re-appointment for another term of five years or up to the age of sixty-five years, whichever is earlier, subject to the condition that he fulfills the qualifications and other conditions for appointment mentioned in clause (b) of sub-section (1) and such re-appointment is also made on the basis of the recommendation of the Selection Committee:</p>	<p>a term of five years or up to the age of sixty-five years, whichever is earlier:</p> <p>Provided that a member shall be eligible for re-appointment for another term of five years or up to the age of sixty-five years, whichever is earlier, subject to the condition that he fulfills the qualifications and other conditions for appointment mentioned in clause (b) of sub-section (1) and such re-appointment is also made on the basis of the recommendation of the <b>State Public Service Commission:</b></p>	<p>Selection will be made through State Public Service Commission.</p>
<p>New proviso added</p>	<p><b>Provided that a person appointed as a President of the District Forum shall also be eligible for re-appointment in the manner provided in sub-section (1A):</b></p> <p><b>Provided also that the State Public Service Commission shall take into consideration the observations or performance appraisal report, if any, made by the President of the State Commission in respect of the President or Member of the District Forum being considered for re-appointment as such;</b></p>	<p>To bring about parity in the number of terms that one can be appointed to the post of President in all the Consumer Fora, it is proposed that the President, District Fora may also be re-appointed. The experience of the President may be utilized for better disposal of cases.</p>

<p>Provided further that a member may resign his office in writing under his hand addressed to the State Government and on such resignation being accepted, his office shall become vacant and may be filled by appointment of a person possessing any of the qualifications mentioned in sub-section (1) in relation to the category of the member who is required to be appointed under the provisions of sub-section (1A) in place of the person who has resigned:</p>	<p>Provided further that a member may resign his office in writing under his hand addressed to the State Government and on such resignation being accepted, his office shall become vacant and may be filled by appointment of a person possessing any of the qualifications mentioned in sub-section (1) who is required to be appointed under the provisions of sub-section (1A) in place of the person who has resigned:</p>	<p>No change</p>
<p>Provided also that a person appointed as the President or as a member, before the commencement of the Consumer Protection (Amendment) Act, 2002, shall continue to hold such office as President or member, as the case may be, till the completion of his term.</p>	<p>Proposed to be deleted</p>	
<p>(3) The salary or honorarium and other allowances payable to, and the other terms and conditions of service of the members of the District Forum shall be such as may be prescribed by the State Government.</p>	<p>(3) <b><i>The salary and allowances payable to the President of the District Forum shall be at the minimum stage of the District Judge appointed to the State Judicial Service plus an amount of Rs.5000/- (Rs. Five Thousand only) and the salary and allowances payable to a Member of the district Forum shall be at the minimum stage of the District Judge appointed to the State Judicial Service.</i></b> The other terms and conditions of service of the President and Members of the District Forum shall be as may be</p>	<p>To make the salary etc of the President and Members of the District Fora uniform and to attract more efficient and eligible candidates to the post of Member/President in District Consumer Fora. As a result justice delivery system will be improved.</p>

	prescribed by the State Government.	
Provided that the appointment of a member on whole-time basis shall be made by the State Government on the recommendation of the President of the State Commission taking into consideration such factors as may be prescribed including the work load of the District Forum.	Proposed to be deleted	
New sub-section added.	<b>(4) The President or Member of the District Forum, on ceasing to hold office as such, shall not appear, act or plead before any District Forum in that State in which he had been the President or Member, as the case may be.</b>	To avoid vested interest
New addition	<p><b>22. (1) The State Government shall determine the nature and categories of the officers and other employees required to assist the District Forum in the discharge of its functioning and provide the District Forum with such officers and other employees as it may think fit.</b></p> <p><b>(2) The officers and other employees of the District Forum shall discharge their functions under the general superintendence of the President.</b></p> <p><b>(3) The salaries and allowances payable to, and the other terms and conditions of service of, the officers and other employees of the District Forum shall be such</b></p>	This will enable the State Government to determine the staff structure of the Consumer Fora depending on the need. This will also enable the State Governments to decide the salary etc of the employees of the Consumer Fora.

	<p><b><i>as may be prescribed by the State Government:</i></b></p> <p><b><i>Provided that officers and other employees employed on or before the commencement of the Consumer Protection (Amendment) Act, 2014, in a District Forum, shall continue to be employed as such unless the nature and categories thereof has been determined by the State Government.</i></b></p>	
<p><b>11. Jurisdiction of the District Forum.</b>—(1) Subject to the other provisions of this Act, the District Forum shall have jurisdiction to entertain complaints where the value of the goods or services and the compensation, if any, claimed "does not exceed rupees <b>twenty lakhs</b>."</p>	<p><b>23. Jurisdiction of the District Forum.</b>—(1) Subject to the other provisions of this Act, the District Forum shall have jurisdiction to entertain complaints suo motu or otherwise where the billed value of the goods or services claimed does not exceed rupees <b>fifty lakhs</b>."</p>	<p>To clarify the criteria of pecuniary jurisdiction of District Fora to entertain a complaint, the provision to consider the billed value of goods and services as the basis for determination of jurisdiction is being proposed. The quantum of pecuniary jurisdiction is also being enhanced to rupees fifty lakhs.</p>
<p>(2) A complaint shall be instituted in a District Forum within the local limits of whose jurisdiction,—</p> <p>(a) the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides or carries on business or has a branch office or personally works for gain, or</p>	<p>(2) A complaint shall be instituted in a District Forum within the local limits of whose jurisdiction,—</p> <p>(a) the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides or carries on business or has a branch office or personally works for gain, or</p>	<p>No change</p>
<p>(b) any of the opposite parties, where</p>	<p>(b) any of the opposite parties,</p>	<p>The proviso has been</p>



there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office, or personally works for gain, <b>provided that in such case either the permission of the District Forum is given, or the opposite parties who do not reside, or carry on business or have a branch office, or personally work for gain, as the case may be, acquiesce in such institution; or</b>	<i>where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office, or personally works for gain, <b>provided that in such case the permission of the District Forum is given; or</b></i>	modified.
(c ) the cause of action, wholly or in part, arises.	(c ) the cause of action, wholly or in part, arises; <b>or</b>	No change except addition of the word “or”.
New addition	<b>d) the complainant resides or personally works for gain.</b>	<i>This is intended to enable the complainant to file a complaint in District Forum where he resides or works irrespective of the fact that the goods or services are purchased within the jurisdiction of the concerned district or beyond, within India.) This will benefit a large number of consumers who do e-shopping. They can file a complaint in the place where they resides unencumbered by the restriction of jurisdiction of District Fora.</i>
New addition	<b>(3)(a) The jurisdiction, powers and authority of the District Forum may be exercised by</b>	Provision of Bench is proposed to be extended to District Forum for speedy and efficient

	<p><i>benches thereof.</i></p> <p><i>(b) A Bench may be constituted by the President with one or more Members as the President may deem fit and each Bench shall be presided over by the seniormost member. Seniority of the members shall be determined from the date of joining of a member;</i></p> <p><i>Provided that the single Member Bench shall exercise jurisdiction, power and authority in relation to such matters as may be prescribed by the State Government in consultation with the State Forum.</i></p>	disposal of the cases.
New section added	<p><b>24. Circuit Benches</b> - <i>The District Forum shall ordinarily function in the district headquarters and perform its functions at such other place, as the State Government may, in consultation with the State Forum, notify in the Official Gazette from time to time.</i></p>	Provision for Circuit Bench is proposed to be extended to District Forum for speedy justice at the doorstep of consumers.
<p><b>12. Manner in which complaint shall be made.</b>—(1) A complaint in relation to any goods sold or delivered or agreed to be sold or delivered or any service provided or agreed to be provided may be filed with a District Forum by –</p>	<p><b>25. Manner in which complaint shall be made.</b>—(1) A complaint in relation to any goods sold or delivered or agreed to be sold or delivered or any service provided or agreed to be provided <b><i>or in respect of any restrictive trade practice or unfair trade practice adopted</i></b> may be filed, <b>including by way of electronic mode</b>, with a District Forum by –</p>	
(a) <i>the consumer to whom such goods are sold or delivered or agreed</i>	(a) <i>the consumer to whom such goods are sold or delivered or</i>	However such type of provision already exists in the definition of complaint but with a view to provide more clarity

to be sold or delivered or such service provided or agreed to be provided;	agreed to be sold or delivered or such service provided or agreed to be provided or <b>in respect of which restrictive trade practice or unfair trade practice is alleged</b> ;	the nature of complaint such as due to unfair trade practice or restrictive trade is proposed to be specified. Now the Consumers will find it easy to file their complaints related to these aspects. In addition, provision is being made for e-filing of complaints.
(b) any recognised consumer association whether the consumer to whom the goods sold or delivered or service provided or agreed to be provided is a member of such association or not;	(b) any recognised consumer association whether the consumer to whom the goods sold or delivered or service provided or agreed to be provided or <b>in respect of which restrictive trade practice or unfair trade practice is alleged</b> , is a member of such association or not;	
(c) one or more consumers, where there are numerous consumers having the same interest, with the permission of the District Forum, on behalf of, or for the benefit of, all consumers so interested; or  (d) the Central Government or the State Government, as the case may be, either in its individual capacity or as a representative of interests of the consumers in general.	(c) one or more consumers, where there are numerous consumers having the same interest, with the permission of the District Forum, on behalf of, or for the benefit of, all consumers so interested; or  (d) the Central Government or the State Government, as the case may be, either in its individual capacity or as a representative of interests of the consumers in general.	No change
(2) Every complaint filed under sub-section (1) shall be accompanied with such amount of fee and payable in such manner as may be prescribed.	(2) Every complaint filed under sub-section (1) shall be accompanied with such amount of fee and payable in such manner, <b>including electronic form</b> , as may be prescribed.	Since the Consumer Fora are computerized, it is proposed to make provision for online filing of complaints to make the consumer move towards e-governance/time bound

		redressal and to obviate the need for going to the Consumer Fora to file a complaint.
<p>(3) On receipt of a complaint made under sub-section (1), the District Forum may, by order, allow the complaint to be proceeded with or rejected:</p> <p><i>Provided that a complaint shall not be rejected under this section unless an opportunity of being heard has been given to the complainant:</i></p>	<p>(3) On receipt of a complaint made under sub-section (1), the District Forum may, by order, allow the complaint to be proceeded with or rejected:</p> <p><i>Provided that a complaint shall not be rejected under this section unless an opportunity of being heard has been given to the complainant:</i></p>	No change
<p><i>Provided further that the admissibility of the complaint shall ordinarily be decided within twenty-one days from the date on which the complaint was received.</i></p>	<p><i>Provided further that the admissibility of the complaint shall ordinarily be decided within twenty-one days from the date on which the complaint was <b>registered</b>.</i></p>	It is logical to fix the time limit from the date of registration and not from the date of receipt as receiving of a complaint in a Consumer Fora does not mean its admission when there are defects.
<p><i>New provisos</i></p>	<p><b><i>Provided further that the complaint would be registered only if found to be defect free.</i></b></p> <p><b><i>Provided also that if the District Forum does not decide the issue of admissibility of the complaint within the period specified in the second proviso, it shall be deemed to have been admitted except in the case where the complainant has failed to appear before the District Forum on the day of</i></b></p>	<p>A time-frame of 21 days after registration of complaint for deciding its admissibility has been incorporated. The consumers will get to know whether their complaint is admissible or not within 21 days.</p>

	<p><b>hearing for admissibility fixed within twenty one days from the date of registration of the complaint, without any reasonable ground;</b></p> <p><b>Provided further that if another date of hearing for admissibility is fixed within the next twenty one days from the date of last hearing for admissibility and the complainant fails to appear without any reasonable ground the admissibility of the complaint shall be decided on merit based on the available papers or if no date of hearing for admissibility is fixed within twenty one days from the last date of hearing for admissibility the complaint shall be deemed to have been admitted on the expiry of such twenty one days.</b></p>	Provision for deemed admissibility of a complaint is proposed.
<p>(4) Where a complaint is allowed to be proceeded with under sub-section (3), the District Forum may proceed with the complaint in the manner provided under this Act:</p> <p><i>Provided that where a complaint has been admitted by the District Forum, it shall not be transferred to any other court or tribunal or any authority set up by or under any other law for the time being in force.</i></p> <p><i>Explanation. - For the purpose of this section "recognised consumer association" means any voluntary consumer association registered</i></p>	<p>(4) Where a complaint is allowed to be proceeded with under sub-section (3), the District Forum may proceed with the complaint in the manner provided under this Act:</p> <p><i>Provided that where a complaint has been admitted by the District Forum, it shall not be transferred to any other court or tribunal or any authority set up by or under any other law for the time being in force.</i></p> <p><i>Explanation. - For the purpose of this section "recognised consumer</i></p>	No Change

<p><i>under the Companies Act, 1956 or any other law for the time being in force”.</i></p>	<p><i>association” means any voluntary consumer association registered under the Companies Act, 1956 or any other law for the time being in force”.</i></p>	
<p><b>13. Procedure on admission of complaint.</b> — (1) <i>The District Forum shall, on admission of a complaint, if it relates to any goods,—</i></p> <p>(a) refer a copy of the admitted complaint, within twenty-one days from the date of its admission to the opposite party mentioned in the complaint directing him to give his version of the case within a period of thirty days or such extended period not exceeding fifteen days as may be granted by the District Forum;</p> <p>(b) where the opposite party on receipt of a complaint referred to him under clause (a) denies or disputes the allegations contained in the complaint, or omits or fails to take any action to represent his case within the time given by the District Forum, the District Forum shall proceed to settle the consumer dispute in the manner specified in clauses (c) to (g);</p> <p>(c) where the complaint alleges a defect in the goods which cannot be determined without proper analysis or test of the goods, the District Forum shall obtain a sample of the goods from the complainant, seal it and authenticate it in the manner prescribed and refer the sample so sealed to the appropriate laboratory along with a direction that such laboratory make an analysis or test, whichever may be necessary, with a view to finding out whether such goods suffer from any defect alleged in the complaint or from any other</p>	<p><b>26. Procedure on admission of complaint.</b> — (1) <i>The District Forum shall, on admission of a complaint, if it relates to any goods,—</i></p> <p>(a) refer a copy of the admitted complaint, within twenty-one days from the date of its admission to the opposite party mentioned in the complaint directing him to give his version of the case within a period of thirty days or such extended period not exceeding fifteen days as may be granted by the District Forum;</p> <p>(b) where the opposite party on receipt of a complaint referred to him under clause (a) denies or disputes the allegations contained in the complaint, or omits or fails to take any action to represent his case within the time given by the District Forum, the District Forum shall proceed to settle the consumer dispute in the manner specified in clauses (c) to (g);</p> <p>(c) where the complaint alleges a defect in the goods which cannot be determined without proper analysis or test of the goods, the District Forum shall obtain a sample of the goods from the complainant, seal it and authenticate it in the manner prescribed and refer the sample so sealed to the appropriate laboratory along with a direction that such laboratory make an analysis or test, whichever may be</p>	<p>No change except renumbering of the Section.</p>

<p>defect and to report its findings thereon to the District Forum within a period of forty-five days of the receipt of the reference or within such extended period as may be granted by the District Forum;</p> <p>(d) before any sample of the goods is referred to any appropriate laboratory under clause (c), the District Forum may require the complainant to deposit to the credit of the Forum such fees as may be specified, for payment to the appropriate laboratory for carrying out the necessary analysis or test in relation to the goods in question;</p> <p>(e) the District Forum shall remit the amount deposited to its credit under clause (d) to the appropriate laboratory to enable it to carry out the analysis or test mentioned in clause (c) and on receipt of the report from the appropriate laboratory, the District Forum shall forward a copy of the report along with such remarks as the District Forum may feel appropriate to the opposite party;</p> <p>(f) if any of the parties disputes the correctness of the findings of the appropriate laboratory, or disputes the correctness of the methods of analysis or test adopted by the appropriate laboratory, the District Forum shall require the opposite party or the complainant to submit in writing his objections in regard to the report made by the appropriate laboratory;</p> <p>(g) the District Forum shall thereafter give a reasonable opportunity to the complainant as well as the opposite party of being heard as to the correctness or otherwise of the report made by the appropriate laboratory and also as to the objection made in relation thereto</p>	<p><i>necessary, with a view to finding out whether such goods suffer from any defect alleged in the complaint or from any other defect and to report its findings thereon to the District Forum within a period of forty-five days of the receipt of the reference or within such extended period as may be granted by the District Forum;</i></p> <p><i>(d) before any sample of the goods is referred to any appropriate laboratory under clause (c), the District Forum may require the complainant to deposit to the credit of the Forum such fees as may be specified, for payment to the appropriate laboratory for carrying out the necessary analysis or test in relation to the goods in question;</i></p> <p><i>(e) the District Forum shall remit the amount deposited to its credit under clause (d) to the appropriate laboratory to enable it to carry out the analysis or test mentioned in clause (c) and on receipt of the report from the appropriate laboratory, the District Forum shall forward a copy of the report along with such remarks as the District Forum may feel appropriate to the opposite party;</i></p> <p><i>(f) if any of the parties disputes the correctness of the findings of the appropriate laboratory, or disputes the correctness of the methods of analysis or test adopted by the appropriate laboratory, the District Forum shall require the opposite party or the complainant to submit in writing his objections in regard to the report made by the appropriate laboratory;</i></p> <p><i>(g) the District Forum shall thereafter give a reasonable</i></p>	
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<p>under clause (i) and issue an appropriate order under <b>section 14</b>.</p>	<p><i>opportunity to the complainant as well as the opposite party of being heard as to the correctness or otherwise of the report made by the appropriate laboratory and also as to the objection made in relation thereto under clause (i) and issue an appropriate order under <b>section 27</b>.</i></p>	
<p>(2) the District Forum shall, if the complaint admitted by it under <b>section 12</b> relates to goods in respect of which the procedure specified in sub-section (1) cannot be followed, or if the complaint relates to any services,—</p> <p>(a) refer a copy of such complaint to the opposite party directing him to give his version of the case within a period of thirty days or such extended period not exceeding fifteen days as may be granted by the District Forum;</p> <p>(b) where the opposite party, on receipt of a copy of the complaint, referred to him under clause (a) denies or disputes the allegations contained in the complaint, or omits or fails to take any action to represent his case within the time given by the District Forum, the District Forum shall proceed to settle the consumer dispute,—</p> <p>(i) on the basis of evidence brought to its notice by the complainant and the opposite party, where the opposite party denies or disputes the allegations contained in the complaint, or</p> <p>(ii) ex parte on the basis of evidence brought to its notice by the complainant where the opposite party omits or fails to take any action to</p>	<p>(2) the District Forum shall, if the complaint admitted by it under <b>section 25</b> relates to goods in respect of which the procedure specified in sub-section (1) cannot be followed, or if the complaint relates to any services,—</p> <p>(a) refer a copy of such complaint to the opposite party directing him to give his version of the case within a period of thirty days or such extended period not exceeding fifteen days as may be granted by the District Forum;</p> <p>(b) where the opposite party, on receipt of a copy of the complaint, referred to him under clause (a) denies or disputes the allegations contained in the complaint, or omits or fails to take any action to represent his case within the time given by the District Forum, the District Forum shall proceed to settle the consumer dispute,—</p> <p>(i) on the basis of evidence brought to its notice by the complainant and the opposite party, where the opposite party denies or disputes the allegations contained in the complaint, or</p> <p>(ii) ex parte on the basis of evidence brought to its notice by the complainant where the</p>	<p>No change except section number.</p>



represent his case within the time given by the Forum.	opposite party omits or fails to take any action to represent his case within the time given by the Forum.	
<i>(c) where the complainant fails to appear on the date of hearing before the District Forum, the District Forum may either dismiss the complaint for default or decide it on merits.</i>	<i>(c) where the complainant fails to appear on the date of hearing before the District Forum, the District Forum may <b>decide it on merits based on available records.</b></i>	It is proposed to dispense with the option of dismissal of the complaint in the event of non appearance of the complainant on the date of hearing. This will be in the interest of justice.
<i>New sub-section. added</i>	<b>(2A) electronic intermediaries shall provide such information, documents or records as may be reasonably required in a written order by the District Forum for the purpose of the procedures under sub-section (1) and sub-section (2) of this section."</b>	
<i>(3) No proceedings complying with the procedure laid down in sub-sections [1] and [2] shall be called in question in any court on the ground that the principles of natural justice have not been complied with.</i>	<i>(3) No proceedings complying with the procedure laid down in sub-sections (1) and (2) shall be called in question in any court on the ground that the principles of natural justice have not been complied with.</i>	No change
<i>(3A) Every complaint shall be heard as expeditiously as possible and endeavour shall be made to decide the complaint within a period of three months from the date of receipt of notice by opposite party where the complaint does not require analysis or testing of commodities and within five months if it requires analysis or testing of commodities: Provided that no adjournment shall be ordinarily granted by the District Forum unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by the Forum: Provided further that the District</i>	<i>(3A) Every complaint shall be heard as expeditiously as possible and endeavour shall be made to decide the complaint within a period of three months from the date of receipt of notice by opposite party where the complaint does not require analysis or testing of commodities: Provided that no adjournment shall be ordinarily granted by the District Forum unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by the Forum:</i>	No change

<p><i>Forum shall make such orders as to the costs occasioned by the adjournment as may be provided in the regulations made under this Act.</i></p> <p><i>Provided also that in the event of a complaint being disposed of after the period so specified, the District Forum shall record in writing, the reasons for the same at the time of disposing of the said complaint.</i></p>	<p><i>Provided further that the District Forum shall make such orders as to the costs occasioned by the adjournment as may be provided in the regulations made under this Act.</i></p> <p><i>Provided also that in the event of a complaint being disposed of after the period so specified, the District Forum shall record in writing, the reasons for the same at the time of disposing of the said complaint.</i></p>	
<p><i>(3B) Where during the pendency of any proceeding before the District Forum, it appears to it necessary, it may pass such interim order as is just and proper in the facts and circumstances of the case.</i></p>	<p><i>(3B) Where during the pendency of any proceeding before the District Forum, it appears to it necessary, it may pass such interim order as is just and proper in the facts and circumstances of the case.</i></p>	No change
<p><i>(4) For the purposes of this section, the District Forum shall have the same powers as are vested in a civil court under Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—</i></p> <p><i>(i) the summoning and enforcing the attendance of any defendant or witness and examining the witness on oath;</i></p> <p><i>(ii) the discovery and production of any document or other material object producible as evidence;</i></p> <p><i>(iii) the reception of evidence on affidavits;</i></p> <p><i>(iv) the requisitioning of the report of the concerned analysis or test from the appropriate laboratory or from any other relevant source;</i></p> <p><i>(v) issuing of any commission for the examination of any witness, and</i></p> <p><i>(vi) any other matter which may be prescribed.</i></p>	<p><i>(4) For the purposes of this section, the District Forum shall have the same powers as are vested in a civil court under Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—</i></p> <p><i>(i) the summoning and enforcing the attendance of any defendant or witness and examining the witness on oath;</i></p> <p><i>(ii) the discovery and production of any document or other material object producible as evidence;</i></p> <p><i>(iii) the reception of evidence on affidavits;</i></p> <p><i>(iv) the requisitioning of the report of the concerned analysis or test from the appropriate laboratory or from any other relevant source;</i></p> <p><i>(v) issuing of any commission for the examination of any witness, and</i></p> <p><i>(vi) any other matter which may be prescribed.</i></p>	No change
<p><i>(5) Every proceeding before the District Forum shall be deemed to be</i></p>	<p><i>(5) Every proceeding before the District Forum shall be deemed to be</i></p>	No change

<p><i>a judicial proceeding within the meaning of sections 193 and 228 of the Indian Code (45 of 1860), and the District Forum shall be deemed to be a civil court for the purposes of section 195, and Chapter XXVI of the Code of Criminal Procedure, 1973 (2 of 1974).</i></p>	<p><i>be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Code (45 of 1860), and the District Forum shall be deemed to be a civil court for the purposes of section 195, and Chapter XXVI of the Code of Criminal Procedure, 1973 (2 of 1974).</i></p>	
<p><i>(6) Where the complainant is a consumer referred to in sub-clause (iv) of clause (b) of sub-section (1) of section 2, the provisions of rule 8 of Order I of the First Schedule to the Code of Civil Procedure, 1908 (5 of 1908) shall apply subject to the modification that every reference therein to a suit or decree shall be construed as a reference to a complaint or the order of the District Forum thereon.</i></p> <p><i>(7) In the event of death of a complainant who is a consumer or of the opposite party against whom the complaint has been filed, the provisions of Order XXII of the First Schedule to the Code of Civil Procedure, 1908 (5 of 1908) shall apply subject to the modification that every reference therein to the plaintiff and the defendant shall be construed as reference to a complainant or the opposite party, as the case may be.</i></p>	<p><i>(6) Where the complainant is a consumer referred to in sub-clause (iv) of clause (b) of sub-section (1) of section 2, the provisions of rule 8 of Order I of the First Schedule to the Code of Civil Procedure, 1908 (5 of 1908) shall apply subject to the modification that every reference therein to a suit or decree shall be construed as a reference to a complaint or the order of the District Forum thereon.</i></p> <p><i>(7) In the event of death of a complainant who is a consumer or of the opposite party against whom the complaint has been filed, the provisions of Order XXII of the First Schedule to the Code of Civil Procedure, 1908 (5 of 1908) shall apply subject to the modification that every reference therein to the plaintiff and the defendant shall be construed as reference to a complainant or the opposite party, as the case may be.</i></p>	No change
<p><i>New sub-section added</i></p>	<p><b><i>(8) The Court shall not allow the engagement of an advocate by either party to the complaint, unless the value of the goods and services, exceeds rupees two lakh, provided that the complainant may engage an expert if the complaint requires technical expertise.</i></b></p>	<p>The basic purpose of the CP Act, 1986 i.e., providing speedy, efficient and inexpensive justice to the consumers, is being defeated because of predominance of advocates in Consumer Fora. To achieve the</p>

		above basic purpose, monetary limit has been fixed up to which advocates shall not be allowed to be engaged. This will enable the consumer to get inexpensive justice.
<i>New Section added</i>	<p><b>27.Reference to mediation.-</b> (1) The Forum shall, after admission of the complaint, at the first hearing of the complaint or at any stage in between the proceedings, if it appears to it that there exists elements of a settlement, which may be acceptable to the parties, direct the parties to opt for settlement of disputes by mediation under Chapter V of the Act, except in such cases in which the issues of grave threats to life/grave physical and/or mental injury are involved.</p> <p>(2) Before directing the parties to exercise option under sub-section (1), the Forum shall give such guidance as it deems fit to the parties, and that it will be to the advantage of the parties, so far as time and expense are concerned, to opt for settlement of dispute by mediation.</p> <p>(3) Where all the parties opt and agree for mediation, they shall apply to the forum, within five days of the direction, the forum shall, within five days of the application, refer the matter to mediation, and then the Chapter IV of the Act shall</p>	<p>To provide speedy and inexpensive redressal of consumer grievances, provision for Mediation has been proposed for addition. In order that the settlement through mediation has a legal sanctity, it is proposed to have the mediation through the Consumer Fora. Consumers will be benefited by getting speedy and inexpensive justice without involvement of advocates.</p>

	<p>apply.</p> <p>Provided that the forum, in the exercise of such power, shall not refer any dispute to mediation without the written consent of all the parties to the complaint.</p>	
<p><b>14. Finding of the District Forum.</b> — (1) If, after the proceeding conducted under <b>section 13</b>, the District Forum is satisfied that the goods complained against suffer from any of the defects specified in the complaint or that any of the allegations contained in the complaint about the services are proved, it shall issue an order to the opposite party directing him to do one or more of the following things, namely:—</p>	<p><b>28. Finding of the District Forum.</b>—(1)If,after the proceeding conducted under <b>section 26</b>, the District Forum is satisfied that the goods complained against suffer from any of the defects specified in the complaint or that any of the allegations contained in the complaint about the services or <b><i>any restrictive trade practices or unfair trade practices</i></b> are proved, it shall issue an order to the opposite party directing him to do one or more of the following things, namely:—</p>	<p>Section numbers have been changed accordingly. Restrictive trade practices and unfair trade practices have been added.</p>
(a) to remove the defect pointed out by the appropriate laboratory from the goods in question;	(a) to remove the defect pointed out by the appropriate laboratory from the goods in question;	No change
(b) to replace the goods with new goods of similar description which shall be free from any defect;	(b) to replace the goods with new goods of similar description which shall be free from any defect;	No change
(c ) to return to the complainant the price, or, as the case may be, the charges paid by the complainant;	(c ) to return to the complainant the price, or, as the case may be, the charges paid by the complainant <b><i>along with such interest on such price or charges as may be decided;</i></b>	It is intended to provide for speedy implementation of the order of the Consumer Fora.
(d) to pay such amount as may be awarded by it as compensation to the consumer for any loss or injury	(d) to pay such amount as may be awarded by it as compensation to the consumer for any loss or injury	

<p>suffered by the consumer due to the negligence of the opposite party.</p> <p><i>Provided that the District Forum shall have the power to grant punitive damages in such circumstances as it deems fit;</i></p>	<p>suffered by the consumer due to the negligence of the opposite party.</p> <p><b><i>Provided that the District Forum shall have the power to grant punitive damages in such circumstances as it deems fit, which shall not be less than ten times, the value of the goods or service or 25% of the profit from the total sale of the said goods or service, whichever is higher.</i></b></p>	<p>To make the punitive damages awarded under this provision deterrent enough to discourage the other party to repeat the offence and to deter the companies to go in for appeal against the order of the District Forum.</p>
<p>(e) to remove the defects in goods or deficiencies in the services in question;</p>	<p>e) to remove the defects in goods or deficiencies in the services in question;</p>	<p>No change</p>
<p>(f) to discontinue the unfair trade practice or the restrictive trade practice or not to repeat it;</p>	<p>(f) to discontinue the unfair trade practice or the restrictive trade practice or not to repeat it;</p>	<p>No change</p>
<p>(g) not to offer the hazardous goods for sale;</p>	<p>(g) not to offer the hazardous <b>or unsafe</b> goods for sale;</p>	<p>Earlier unsafe goods were not covered. It is intended to include goods which are unsafe also.</p>
<p><i>(h) to withdraw the hazardous goods from being offered for sale;</i></p> <p><i>(ha)to cease manufacture of hazardous goods and to desist from offering services which are hazardous in nature;</i></p>	<p><i>h) to withdraw the hazardous goods from being offered for sale;</i></p> <p><i>(ha) to cease manufacture of hazardous goods and to desist from offering services which are hazardous in nature;</i></p>	<p>No change</p>
<p><i>(hb)to pay such sum as may be determined by it if it is of the opinion that loss or injury has been suffered by a large number of consumers who are not identifiable conveniently:</i></p> <p><i>Provided that the minimum amount of</i></p>	<p><i>(hb) to pay such sum as may be determined by it if it is of the opinion that loss or injury has been suffered by a large number of consumers who are not identifiable conveniently:</i></p>	

<p>sum so payable shall not be less than <b>five per cent</b> of the value of such defective goods sold or service provided, as the case may be, to such consumers:</p> <p><i>Provided further that the amount so obtained shall be credited in favour of such person and utilized in such manner as may be prescribed;</i></p>	<p>Provided that the minimum amount of sum so payable shall not be less than <b>twenty-five per cent</b> of the value of such defective goods sold or service provided, as the case may be, to such consumers:</p> <p><i>Provided further that the amount so obtained shall be credited in favour of such person and utilized in such manner as may be prescribed;</i></p>	
<p><i>(hc)to issue corrective advertisement to neutralize the effect of misleading advertisement at the cost of the opposite party responsible for issuing such misleading advertisement;</i></p> <p>(i) to provide for adequate costs to parties.</p>	<p><i>(hc) to issue corrective advertisement to neutralize the effect of misleading advertisement at the cost of the opposite party responsible for issuing such misleading advertisement;</i></p> <p><i>(i) to provide for adequate costs to parties.</i></p>	No change
<p>(2) Every proceeding referred to in sub-section(1) shall be conducted by the President of the District Forum and at least one member thereof sitting together:</p> <p><i>Provided that where a member, for any reason, is unable to conduct a proceeding till it is completed, the</i></p>	<p>(2) Every proceeding referred to in sub-section (1) shall be conducted by the President of the District Forum and at least one member thereof sitting together:</p> <p><b><i>Provided that where a President, for any reason, is unable to conduct a proceeding or on leave or otherwise the State Government may, by notification, authorize President of another District Fora to act as the President in that District for such period as may be specified.</i></b></p> <p><i>Provided further that where a member, for any reason, is unable to conduct a proceeding till it is completed, the President and the</i></p>	<p>At present, there is no provision regarding procedure of proceedings in absence of the President. It is proposed to fill up this gap. The proceedings will not be delayed due to absence of the President.</p>

<p><i>President and the other member shall continue the proceeding from the stage at which it was last heard by the previous member.</i></p>	<p><i>other member shall continue the proceeding from the stage at which it was last heard by the previous member.</i></p>	
<p>(2A) Every order made by the District Forum under sub-section (1) shall be signed by its President and the member or members who conducted the proceeding:</p> <p>Provided that where the proceeding is conducted by the President and one member and they differ on any point or points, they shall state the point or points on which they differ and refer the same to the other member for hearing on such point or points and the opinion of the majority shall be the order of the District Forum.</p>	<p>(2A) Every order made by the District Forum under sub-section (1) shall be signed by its President and the member or members who conducted the proceeding:</p> <p>Provided that where the proceeding is conducted by the President and one member and they differ on any point or points, they shall state the point or points on which they differ and refer the same to the other member for hearing on such point or points and the opinion of the majority shall be the order of the District Forum.</p> <p><b><i>Provided further that the other Member shall give his opinion on such point or points referred to him within a period of two months from the date of such reference.</i></b></p>	<p>New proviso has been added fixing time frame on note of difference has been fixed for quicker disposal of the cases.</p>
<p><i>New sub-section added</i></p>	<p><b><i>(2B) Power of review: The District Forum shall have the power to review orders made by it only when there is any error apparent on the face of record.</i></b></p>	<p>To set right the lapse committed through oversight by the District Fora. This will benefit the consumers by getting justice in District Fora itself and they can avoid filing appeals in State Commission.</p>



<p><b>15. Appeal.</b> — Any person aggrieved by an order made by the District Forum may prefer an appeal against such order to the State <b>Commission</b> within a period of thirty days from the date of the order, in such form and manner as may be prescribed:</p> <p>Provided that the State <b>Commission</b> may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that there was sufficient cause for not filing it within that period.</p> <p><i>Provided further that no appeal by a person, who is required to pay any amount in terms of an order of the District Forum, shall be entertained by the State <b>Commission</b> unless the appellant has deposited in the prescribed manner fifty per cent. of that amount <b>or twenty-five thousand rupees, whichever is less.</b></i></p>	<p><b>29. Appeal.— (1)</b>Any person aggrieved by an order made by the District Forum may prefer an appeal against such order to the State <b>Forum</b> within a period of thirty days from the date of the order, in such form and manner as may be prescribed:</p> <p>Provided that the State <b>Forum</b> may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that there was sufficient cause for not filing it within that period.</p> <p><b><i>Provided further that no appeal by a person, who is required to pay any amount in terms of an order of the District Forum, shall be entertained by the State Forum unless the appellant has deposited in the prescribed manner fifty per cent of that amount .</i></b></p>	<p>The words ‘State Commission’ have been substituted by the words ‘ State Forum’.</p> <p>In the last line after the word ‘amount’ the words ‘<b>or twenty five thousand rupees, whichever is less</b>’ have been deleted, so as to discourage the opposite party to go for appeal to higher Forum on flimsy ground. The cases will not be prolonged unnecessarily. Therefore, the consumers will get justice quickly.</p>
<p><b>16. Composition of the State Commission.</b> — (1) Each State Commission shall consist of—</p> <p>(a) a person who is or has been a Judge of a High Court, appointed by the State Government, shall be its President:</p>	<p><b>30. Composition of the State Forum.</b> — (1) Each State <b>Forum</b> shall consist of—</p> <p>(a) a person who is or has been a Judge of a High Court, appointed by the State Government, who shall be its President:</p> <p>Provided that no appointment</p>	<p>The word “Commission” has been substituted by word “Forum”.</p>

<p>Provided that no appointment under this clause shall be made except after consultation with the Chief Justice of the High Court;</p>	<p>under this clause shall be made except after consultation with the Chief Justice of the High Court;</p>	
<p>(b) not less than <b>two</b>, and not more than such number of members, as may be prescribed, and one of whom shall be a woman, who shall have the following qualifications, namely:—</p> <p>(i) be not less than <b>thirty-five</b> years of age;</p> <p>(ii) possess a bachelor's degree from a recognised university; and</p> <p>(iii) be persons of ability, integrity and standing, and have adequate knowledge and experience of at least ten years in dealing with problems relating to economics, law, commerce, accountancy, industry, <b>public</b> affairs or administration:</p> <p><b>Provided that not more than fifty per cent. of the members shall be from amongst persons having a judicial background.</b></p> <p><i>Explanation. — For the purposes of this clause, the expression "persons having judicial background" shall mean persons having knowledge and experience for at least a period of ten years as a presiding officer at the district level court or any tribunal at equivalent level:</i></p> <p><i>Provided further that a person shall be disqualified for appointment as a</i></p>	<p>(b) not less than <b>four</b>, and not more than such number of members, as may be prescribed, and one of whom shall be a woman, who shall have the following qualifications, namely:—</p> <p>(i) be not less than <b>forty</b> years of age;</p> <p>(ii) possess a bachelor's degree from a recognised university;</p> <p>(iii) be persons of ability, integrity and standing, and have adequate knowledge and experience of at least ten years in dealing with problems relating to economics, law, commerce, accountancy, industry, <b>consumer</b> affairs or administration:</p> <p><i>Provided that a person shall be disqualified for appointment as a member if he—</i></p> <p>(a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the State Government, involves moral turpitude; or</p> <p>(b) is an undischarged insolvent; or</p> <p>(c) is of unsound mind and stands so declared by a competent</p>	<p>The minimum number of Members in a State Forum is being enhanced from two to four to facilitate quick disposal of the complaints.</p> <p><i>The minimum age for appointment of a Member is proposed to be enhanced from 35 years to 40 years in the existing section 16(1) (b) (i) to have experienced persons as Members.</i></p> <p>Experience in the relevant area 'consumer affairs' is being proposed.</p> <p><b><i>The proviso after the existing section 16(b) (iii) as regards fifty percent of the members to be selected from persons having judicial background is being deleted along with the</i></b></p>

<p><i>member if he—</i></p> <p>(a) <i>has been convicted and sentenced to imprisonment for an offence which, in the opinion of the State Government, involves moral turpitude; or</i></p> <p>(b) <i>is an undischarged insolvent; or</i></p> <p>(c) <i>is of unsound mind and stands so declared by a competent court; or</i></p> <p>(d) <i>has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or</i></p> <p>(e) <i>has, in the opinion of the State Government, such financial or other interest, as is likely to affect prejudicially the discharge by him of his functions as a member; or</i></p> <p>(f) <i>has such other disqualifications as may be prescribed by the State Government.</i></p>	<p><i>court; or</i></p> <p>(d) <i>has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or</i></p> <p>(e) <i>has, in the opinion of the State Government, such financial or other interest, as is likely to affect prejudicially the discharge by him of his functions as a member; or</i></p> <p><b>(ee)is or continues to be, after appointment, a Member or office bearer of any political party; or</b></p> <p>(f) <i>has such other disqualifications as may be prescribed by the State Government.</i></p>	<p><b>explanation.</b></p> <p><b><i>It is intended to debar politicians to become member of Consumer Fora.</i></b></p>
<p>(1A)Every appointment under sub-section (1) shall be made by the State Government on the recommendation of a Selection Committee consisting of the following members, namely:—</p> <p>(i) <i>President of the State</i></p>	<p>(1A)Every appointment under <b>Clause (b) of</b> sub-section (1) shall be made by the State Government on the recommendation of a Selection Committee consisting of the following members, namely:—</p> <p><b>(i) A Judge of the High Court of</b></p>	<p>To make the selection</p>

<p><i>Commission -- Chairman;</i></p> <p><i>(ii) Secretary of the Law Department of the State -- Member;</i></p> <p><i>(iii) Secretary in charge of the Department dealing with Consumer Affairs in the State -- Member:</i></p> <p><b>Provided that where the President of the State Commission is, by reason of absence or otherwise, unable to act as Chairman of the Selection Committee, the State Government may refer the matter to the Chief Justice of the High Court for nominating a sitting Judge of that High Court to act as Chairman.</b></p>	<p><b><i>the State duly nominated by the Chief Justice of that State-- Chairman</i></b></p> <p><i>(ii) Secretary of the Law Department of the State -- Member;</i></p> <p><i>(iii) Secretary in-charge of the Department of Consumer Affairs in the State-- Member</i></p>	<p>process more effective.</p> <p>The proviso is being deleted as it is not necessary in view of the changes being proposed.</p>
<p><i>New sub-section added</i></p>	<p><b><i>(1AA)The State Government may, if it is of the opinion that any person recommended by the Selection Committee under sub-section (1A) has not been found fit for such appointment, it may, within a period of two months from such recommendation and for reasons to be recorded in writing, refer the matter to the Selection Committee for fresh recommendations.</i></b></p> <p><b><i>Provided also that the Selection Committee shall take into consideration the observations or performance appraisal report, if any, made by the President of the National Forum in respect of the Member of the State Forum</i></b></p>	<p>This is intended to avoid unnecessary delay in selection and to make the selection process time bound.</p>

	<b>being considered for re-appointment.</b>	
<p>(1B)(i) The jurisdiction, powers and authority of the State Commission may be exercised by Benches thereof.</p> <p>(ii) A Bench may be constituted by the President with one or more members as the President may deem fit.</p> <p>(iii) If the members of a Bench differ in opinion on any point, the points shall be decided according to the opinion of the majority, if there is a majority, but if the Members are equally divided, they shall state the point or points on which they differ, and make a reference to the President who shall either hear the point or points himself or refer the case for hearing on such point or points by one or more or the other members and such point or points shall be decided according to the opinion of the majority of the members who have heard the case, including those who first heard it.</p>	<p>(1B)(i) The jurisdiction, powers and authority of the State <b>Forum</b> may be exercised by Benches thereof.</p> <p>(ii) A Bench may be constituted by the President with one or more members as the President may deem fit.</p> <p><b>(ii)[a] where a President, for any reason, is unable to conduct the proceedings or on leave or otherwise, the President of the National Forum may authorize in consultation with the respective State Government the seniormost member to conduct the proceedings.</b></p> <p>(iii) If the members of a Bench differ in opinion on any point, the points shall be decided according to the opinion of the majority, if there is a majority, but if the Members are equally divided, they shall state the point or points on which they differ, and make a reference to the President who shall either hear the point or points himself or refer the case for hearing on such point or points by one or more or the other members and such point or points shall be decided according to the opinion of the majority of the members who have heard the case, including those who first heard it.</p>	<p>The word ' Commission' is being substituted by the word ' Forum'.</p> <p>No change</p> <p>This is intended to facilitate the proceedings of a Consumer Fora in the absence of the President.</p> <p>No change.</p>
(2) The salary or honorarium and other allowances payable to, and the	(2) The salary and allowances payable <b>to the President of the</b>	It is proposed to make the salary of the

<p>other terms and conditions of service of, the members of the State Commission shall be such as may be prescribed by the State Government.</p> <p><i>Provided that the appointment of a member on whole-time basis shall be made by the State Government on the recommendation of the President of the State Commission taking into consideration such factors as may be prescribed including the work load of the State Commission.</i></p>	<p><b>State Forum shall be equal to that of a sitting High Court Judge of the State.</b> The salary or honorarium and other allowances payable to the members of the State Forum shall be <b>as applicable to the Secretary of that State.</b></p>	<p>President and Members of State Fora uniform.</p>
<p>(3) Every member of the State <b>Commission</b> shall hold office for a term of five years or up to the age of sixty-seven years, whichever is earlier:</p> <p><i>Provided that a member shall be eligible for re-appointment for another term of five years or up to the age of sixty-seven years, whichever is earlier, subject to the condition that he fulfills the qualifications and other conditions for appointment mentioned in clause (b) of sub-section (1) and such re-appointment is made on the basis of the recommendation of the Selection Committee:</i></p> <p><i>Provided further that a person appointed as a President of the State <b>Commission</b> shall also be eligible for re-appointment in the manner provided in clause (a) of sub-section (1) of this section:</i></p> <p><i>Provided also that a member may resign his office in writing under his hand addressed to the State Government and on such resignation</i></p>	<p>(3) Every member of the State <b>Forum</b> shall hold office for a term of five years or up to the age of sixty-seven years, whichever is earlier:</p> <p><i>Provided that a member shall be eligible for re-appointment for another term of five years or up to the age of sixty-seven years, whichever is earlier, subject to the condition that he fulfills the qualifications and other conditions for appointment mentioned in clause (b) of sub-section (1) and such re-appointment is made on the basis of the recommendation of the Selection Committee:</i></p> <p><i>Provided further that a person appointed as a President of the State <b>Forum</b> shall also be eligible for re-appointment in the manner provided in clause (a) of sub-section (1) of this section:</i></p> <p><i>Provided also that a member may resign his office in writing under his hand addressed to the State</i></p>	<p>The word 'Commission' has been substituted by the word 'Forum'</p>

being accepted, his office shall become vacant and may be filled by appointment of a person possessing any of the qualifications mentioned in sub-section (1) in relation to the category of the member who is required to be appointed under the provisions of sub-section (1A) in place of the person who has resigned.	Government and on such resignation being accepted, his office shall become vacant and may be filled by appointment of a person possessing any of the qualifications mentioned in sub-section (1) in relation to the category of the member who is required to be appointed under the provisions of sub-section (1A) in place of the person who has resigned.	
(4) Notwithstanding anything contained in sub-section (3), a person appointed as the President or as a member, before the commencement of the Consumer Protection (Amendment) Act, 2002, shall continue to hold such office as President or member, as the case may be, till the completion of his term.	<b>To be deleted</b>	
New sub-section added	<b>(4) The President or Member of the State Forum on ceasing to hold office as such, shall not appear, act or plead before the State Forum or any District Forum in that State in which he had been as the President or Member, as the case may be, of the State Forum.</b>	To avoid any vested interest
New Section added	<b>31. (1) The State Government shall determine the nature and categories of the officers and other employees required to assist the State Forum in the discharge of its functions and provide the Forum with such officers and other employees as</b>	This is intended to enable State Govt. to determine the staff component in a Consumer Fora.

	<p><i>it may think fit.</i></p> <p><i>(2) The officers and other employees of the State Forum shall discharge their functions under the general superintendence of the President.</i></p> <p><i>(3) The salaries and allowances payable to and the other terms and conditions of service of, the officers and other employees of the State Forum shall be such as may be prescribed by the State Government:</i></p> <p><i>Provided that the officers and other employees employed on or before the commencement of the Consumer Protection (Amendment) Act, 2011, in a State Forum, shall continue to be employed as such unless the nature and categories thereof has been determined by the State Government.</i></p>	<p>This is intended to enable to State Govt. to prescribe the salary structure and terms and conditions of service of the staff of a Consumer Fora.</p>
<p><b>17. Jurisdiction of the State Commission.</b> — (1) Subject to the other provisions of this Act, the State Commission shall have jurisdiction—</p> <p>(a) to entertain—</p> <p>(i) complaints where the value of the goods or services and compensation, if any, claimed exceeds rupees <b>twenty lakhs</b> but does not exceed rupees <i>one crore</i>;</p>	<p><b>32. Jurisdiction of the State Forum.</b> — (1) Subject to the other provisions of this Act, the State Forum shall have jurisdiction—</p> <p>(a) to entertain—</p> <p>(i) complaints <b><i>suo motu or otherwise</i></b> where the <b>billed</b> value of the goods or services, if any, claimed in a complaint exceeds rupees fifty lakhs but does not</p>	<p>A need is felt for the State Forum to entertain complaints suo motu.</p>



and  (ii) appeals against the orders of any District Forum within the State; and	exceed rupees one crore; and  (ii) appeals against the orders of any District Forum within the State; and	
(b) to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any District Forum within the State, where it appears to the State <b>Commission</b> that such District Forum has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested or has acted in exercise of its jurisdiction illegally or with material irregularity.	(b) to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any District Forum within the State, where it appears to the <b>State Forum</b> that such District Forum has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested or has acted in exercise of its jurisdiction illegally or with material irregularity.	The word Commission has been substituted the word Forum.
(2) A complaint shall be instituted in a State Commission within the limits of whose jurisdiction,—  (a) the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides or carries on business or has a branch office or personally works for gain; or	<i>(2) A complaint shall be instituted in a State <b>Forum</b> within the limits of whose jurisdiction,—</i>  <i>(a) the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides or carries on business or has a branch office or personally works for gain; or</i>	The word Commission has been substituted the word Forum.
(b) any of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office or personally works for gain, provided that in such case either the permission of the State Commission is given or the opposite	<b><i>(b) any of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office or personally works for gain, provided that in such case the permission of the</i></b>	

parties who do not reside or carry on business or have a branch office or personally work for gain, as the case may be, acquiesce in such institution; or	<b>State Forumis given ; or</b>	
(c) the cause of action, wholly or in part, arises.	(c) the cause of action, wholly or in part, arises.	No change
	<b>(d) the complainant resides or personally works for gain.</b>	A clause has been added to allow complainant to file a complaint in the State <b>Forum</b> where he resides or works.
17A. Transfer of cases. - On the application of the complainant or of its own motion, the State Commission may, at any stage of the proceeding, transfer any complaint pending before the District Forum to another District Forum within the State if the interest of justice so requires.	<b>33.</b> <i>Transfer of cases. - On the application of the complainant or of its own motion, the State <b>Forum</b> may, at any stage of the proceeding, transfer any complaint pending before the District Forum to another District Forum within the State if the interest of justice so requires.</i>	The word Commission has been substituted by the word Forum.
17B. <b>Circuit Benches.</b> -The State Commission shall ordinarily function in the State Capital but may perform its functions at such other place as the State Government may, in consultation with the State Commission, notify in the Official Gazette, from time to time.	<b>34. Circuit Benches.</b> - <i>The State <b>Forum</b> shall ordinarily function in the State Capital but may perform its functions at such other place as the State Forum may decide from time to time depending on the pendency from one particular District.</i>	This will facilitate disposal of pending cases.
<b>18. Procedure applicable to State Commissions.</b> —The provisions of Sections 12, 13 and 14 and the rules made thereunder for the disposal of complaints by the District Forum shall, with such	<b>35 Procedure applicable to State Forum.</b> —(1) The provisions of Sections 25, 26 and 28 and the rules made thereunder for the disposal of complaints by the District Forum shall, with such	

<p>modifications as may be necessary, be applicable to the disposal of disputes by the State Commission.</p>	<p>modifications as may be necessary, be applicable to the disposal of disputes by the State Forum.</p> <p><b><i>(2) No advocates will appear before the State Forum for any parties in appeals against orders of District Forum passed in the cases where the billed value of goods/ services claimed in the original complaint was up to rupees two lakh.</i></b></p>	<p>As it is viewed that appearance of advocates is a cause of delay in disposal of complaints, financial limit in terms of claim is proposed for appearance of advocates before the state Forum. This is expected to benefit the consumers in getting speedy settlement of their complaints..</p>
<p><b>19. Appeals.</b>—Any person aggrieved by an order made by the State Commission in exercise of its powers conferred by sub-clause (i) of clause (a) of section 17 may prefer an appeal against such order to the National Commission within a period of thirty days from the date of the order in such form and manner as may be prescribed:</p> <p>Provided that the National Commission <b>may</b> entertain an appeal after the expiry of the said period of thirty days if it is satisfied that there was sufficient cause for not filing it within that period.</p> <p><i>Provided further that no appeal by a person, who is required to pay any amount in terms of an order of the State Commission, shall be</i></p>	<p><b>36. Appeals.</b>—Any person aggrieved by an order made by the State <b>Forum</b> in exercise of its powers conferred by sub-clause (i) of clause (a) of section 32 may prefer an appeal against such order to the National <b>Forum</b> within a period of thirty days from the date of the order in such form and manner as may be prescribed:</p> <p><b><i>Provided that the National Forum shall not entertain the appeal after the expiry of the said period of thirty days unless it is satisfied that there was sufficient cause for not filing it within that period.</i></b></p> <p><b><i>Provided further that no appeal by a person, who is required to pay any amount in terms of an</i></b></p>	

<p>entertained by the National Commission unless the appellant has deposited in the prescribed manner fifty per cent. of the amount or rupees thirty-five thousand, whichever is less:</p>	<p><b>order of the State Forum, shall be entertained by the National Forum unless the appellant has deposited in the prescribed manner fifty per cent. of the amount.</b></p> <p><b>Provided further that only one appeal is allowed i.e. appeal on the orders of the District Forum shall lie to the State Forum and no further appeal shall lie on the orders of the State Forum in the matter. Similarly on the orders of the State Forum appeal shall lie to the National Forum.</b></p>	<p>Restriction on appeals has been proposed to facilitate quick disposal of cases</p>
<p>19A. <b>Hearing of Appeal</b> - An appeal filed before the State Commission or the National Commission shall be heard as expeditiously as possible and an endeavour shall be made to finally dispose of the appeal within a period of ninety days from the date of its admission:</p> <p><i>Provided that no adjournment shall be ordinarily granted by the State Commission or the National Commission, as the case may be, unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by such Commission:</i></p> <p><i>Provided further that the State Commission or the National Commission, as the case may be, shall make such orders as to the costs occasioned by the adjournment as may be provided in the regulations</i></p>	<p>37. <b>Hearing of Appeal</b> - An appeal filed before the State <b>Forum</b> or the National <b>Forum</b> shall be heard as expeditiously as possible and an endeavour shall be made to finally dispose of the appeal within a period of ninety days from the date of its admission:</p> <p><i>Provided that no adjournment shall be ordinarily granted by the State <b>Forum</b> or the National <b>Forum</b>, as the case may be, unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by such <b>Forum</b>:</i></p> <p><i>Provided further that the State <b>Forum</b> or the National <b>Forum</b>, as the case may be, shall make such orders as to the costs occasioned by the adjournment as may be provided in the regulations made</i></p>	<p>The word Commission has been substituted by the word Forum.</p>

<p><i>made under his Act.</i></p> <p><i>Provided also that in the event of an appeal being disposed of after the period so specified, the State Commission or, the National Commission, as the case may be, shall record in writing the reasons for the same at the time of disposing of the said appeal.</i></p>	<p><i>under this Act.</i></p> <p><i>Provided also that in the event of an appeal being disposed of after the period so specified, the State <b>Forum</b> or, the National <b>Forum</b>, as the case may be, shall record in writing the reasons for the same at the time of disposing of the said appeal.</i></p>	
	<p><b>(To be added)</b></p> <p><b>38. Without prejudice to the provisions contained in Section 35, the State Forum shall have the power to review any order made by it, when there is an error apparent on the face of record.</b></p>	<p>This is in intended to reduce unnecessary appeals to National Forum. Help the consumer in getting speedy disposal of his complaint.</p>
<p><b>20. Composition of the National Commission.</b>—(1) The National Commission shall consist of—</p> <p>(a) a person who is or has been a Judge of the Supreme Court, to be appointed by the Central Government, who shall be its President;</p> <p>Provided that no appointment under this clause shall be made except after consultation with the Chief Justice of India;</p>	<p><b>39. Composition of the National Forum.</b>—(1) The National <b>Forum</b> shall consist of—</p> <p>(a) a person who is or has been a Judge of the Supreme Court, to be appointed by the Central Government, who shall be its President;</p> <p>Provided that no appointment under this clause shall be made except after consultation with the Chief Justice of India;</p>	<p>The word Commission has been substituted by the word Forum.</p>
<p>(b) not less than four, and not more than such number of members, as may be prescribed, and one of</p>	<p>(b) not less than <b>fifteen</b>, and not more than such number of members, as may be prescribed,</p>	<p>The existing strength of members in the National</p>

<p>whom shall be a woman, who shall have the following qualifications, namely:—</p> <p>(i) be not less than <b>thirty-five</b> years of age;</p> <p>(ii) possess a bachelor's degree from a recognised university; and</p> <p>(iii) be persons of ability, integrity and standing and have adequate knowledge and experience of at least <b>ten</b> years in dealing with problems relating to economics, law, commerce, accountancy, industry, public affairs or administration:</p> <p>Provided that <b>not more than fifty per cent.</b> of the members shall be from amongst the persons having a judicial background.</p> <p>Explanation. — For the purposes of this clause, the expression "persons having judicial background" shall mean persons having knowledge and experience for at least a period of ten</p>	<p>of whom <b>one</b> shall be a woman and one each shall be from SC/ST, OBC and minority communities <b>with</b> following qualifications, namely:—</p> <p>(i) One may not be less than <b>forty five years</b> of age;</p> <p>(ii) possess a bachelor's degree from a recognised university; and</p> <p>(iii) be persons of ability, integrity and standing and have adequate knowledge and experience of at least <b>twenty</b> years in dealing with problems relating to economics, law <b>or</b>, commerce / accountancy / industry /<b>consumer</b> affairs or administration <b>and preferably has held the post of not less than Additional Secretary to the Government of India or of equivalent level in the Central Government or State Government: or persons having knowledge and experience for at least a period of ten years as a presiding officer at the district level court or at any tribunal at equivalent level.</b></p> <p><b>Provided further that there shall be not less than one woman member at any point of time in the total strength of members of the National Forum including</b></p>	<p>Commission is 11.</p> <p>A post of member in NCDRC is being reserved For a professional Doctor to have expertise in dealing with medical related cases.</p> <p>The increase in the minimum age limit and enhancing the experience of a candidate for the post of member is intended to have experienced candidates for member in NCDRC.</p> <p>Reducing the number of judicial members is intended to have candidates experienced in other fields as members of the National Commission to deal with cases of different</p>
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<p><i>years as a presiding officer at the district level court or any tribunal at equivalent level:</i></p> <p>Provided further that a person shall be disqualified for appointment if he—</p> <p>(a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the Central Government, involves moral turpitude; or</p> <p>(b) is an undischarged insolvent; or</p> <p>(c) is of unsound mind and stands so declared by a competent court; or</p> <p>(d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or</p> <p>(e) has in the opinion of the Central Government such financial or other interest as is likely to affect prejudicially the discharge by him of his</p>	<p><b>the President.</b></p> <p>Provided further that a person shall be disqualified for appointment <b>or for continuation as such</b> if he—</p> <p>(a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the Central Government, involves moral turpitude; or</p> <p>(b) is an un-discharged insolvent; or</p> <p>(c) is of unsound mind and stands so declared by a competent court; or</p> <p>(d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or</p> <p>(e) has in the opinion of the Central Government such financial or other interest as is likely to affect prejudicially the discharge by him of his functions as a member; or</p> <p><b>(ee) is or continues to be, after appointment, a Member or office bearer of any political party; or;</b></p> <p>(f) has such other disqualifications as may be prescribed by the Central Government :</p> <p><i>Provided also that every appointment under this clause</i></p>	<p>sectors.</p>
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<p>functions as a member; or</p> <p>(f) has such other disqualifications as may be prescribed by the Central Government :</p> <p><i>Provided also that every appointment under this clause shall be made by the Central Government on the recommendation of a selection committee consisting of the following, namely:—</i></p> <p>(a) a person who is a Judge of the Supreme Court, Chairman; to be nominated by the Chief Justice of India</p> <p>(b) the Secretary in the Department of Legal Affairs in the Government of India</p> <p>(c) Secretary of the Department dealing with consumer — Member.;</p> <p>affairs in the Government of India</p>	<p><i>shall be made by the Central Government on the recommendation of a selection committee consisting of the following, namely:—</i></p> <p>(a) a person who is a Judge of the Supreme Court, to be nominated by the Chief Justice of India— Chairman;</p> <p>(b) the Secretary in the Department of Legal Affairs in the Government of India— Member;</p> <p>(c) Secretary of the Department dealing with consumer affairs in the Government of India — Member;</p>	<p>Members of political parties are proposed to be debarred from becoming members of the Commission.</p>
<p>(1A)(i) The jurisdiction, powers and authority of the National Commission may be exercised by Benches thereof.</p> <p>(ii) A Bench may be constituted by the President with one or more members as the President may deem</p>	<p>(1A)(i) The jurisdiction, powers and authority of the National <b>Forum</b> may be exercised by Benches thereof.</p> <p>(ii) A Bench may be constituted by the President with <b>one or</b></p>	



<p><i>fit.</i></p> <p><i>(iii) if the Members of a Bench differ in opinion on any point, the points shall be decided according to the opinion of the majority, if there is a majority, but if the members are equally divided, they shall state the point or points on which they differ, and make a reference to the President who shall either hear the point or points himself or refer the case for hearing on such point or points by one or more or the other Members and such point or points shall be decided according to the opinion of the majority of the Members who have heard the case, including those who first heard it.</i></p>	<p><b>moremembers;</b></p> <p><b><i>Provided that the senior most member of the Bench shall preside over the Bench and seniority shall be determined in accordance with the date of joining as a member in the Forum.</i></b></p> <p><i>(iii) if the Members of a Bench differ in opinion on any point, the points shall be decided according to the opinion of the majority, if there is a majority, but if the members are equally divided, they shall state the point or points on which they differ, and make a reference to the President who shall either hear the point or points himself or refer the case for hearing on such point or points by one or more or the other Members and such point or points shall be decided according to the opinion of the majority of the Members who have heard the case, including those who first heard it.</i></p> <p><b><i>Provided that the President or the Members, as the case may be, shall give his or their opinion on the point or points referred to him or them within a period of two months from the date of such reference.</i></b></p>	<p>Provides for which members will preside over a bench to avoid any doubts.</p> <p>A time limit is proposed for giving opinion to avoid undue delay.</p>
<p>(2) The salary or honorarium and other allowances payable to and the other terms and conditions of service of the members of the National Commission shall be such</p>	<p><b><i>(2)President of the National Forum shall be entitled to the salary and allowances as applicable to a sitting Judge of the Supreme Court and</i></b></p>	<p>It is proposed to specify the salary and allowances of the President &amp; Members of the National Forum.</p>

<p>as may be prescribed by the Central Government.</p>	<p><b>Members shall be entitled to the salary and allowances as applicable to a sitting judge of High Court.</b></p>	
<p>(3) Every member of the National <b>Commission</b> shall hold office for a term of five years or up to the age of seventy years, whichever is earlier:</p> <p><i>Provided that a member shall be eligible for re-appointment for another term of five years or up to the age of seventy years, whichever is earlier, subject to the condition that he fulfills the qualifications and other conditions for appointment mentioned in clause (b) of sub-section (1) and such re-appointment is made on the basis of the recommendation of the Selection Committee:</i></p> <p><i>Provided further that a person appointed as a President of the National <b>Commission</b> shall also be eligible for re-appointment in the manner provided in clause (a) of sub-section (1) :</i></p> <p><i>Provided also that a member may resign his office in writing under his hand addressed to the Central Government and on such resignation being accepted, his office shall become vacant and may be filled by appointment of a person possessing any of the qualifications mentioned in sub-section (1) in relation to the category of the member who is required to be appointed under the provisions of sub-section (1A) in place of the person who has</i></p>	<p>(3) Every member of the National <b>Forum</b> shall hold office for a term of five years or up to the age of seventy years, whichever is earlier:</p> <p><i>Provided that a member shall be eligible for re-appointment for another term of five years or up to the age of seventy years, whichever is earlier, subject to the condition that he fulfills the qualifications and other conditions for appointment mentioned in clause (b) of sub-section (1) and such re-appointment is made on the basis of the recommendation of the Selection Committee:</i></p> <p><i>Provided further that a person appointed as a President of the National <b>Forum</b> shall also be eligible for re-appointment in the manner provided in clause (a) of sub-section (1) :</i></p> <p><i>Provided also that a member may resign his office in writing under his hand addressed to the Central Government and on such resignation being accepted, his office shall become vacant and may be filled by appointment of a person possessing any of the qualifications mentioned in sub-section (1) in relation to the category of the member who is</i></p>	<p>No change except that the word Commission has been substituted by the word Forum.</p>

resigned.	required to be appointed under the provisions of sub-section (1)(a) & (b) in place of the person who has resigned.	
(4) Notwithstanding anything contained in sub-section (3), a person appointed as a President or as a member before the commencement of the Consumer Protection (Amendment) Act, 2002 shall continue to hold such office as President or member, as the case may be, till the completion of his term.	<p><b>(4) To be deleted and substituted by -</b></p> <p><b>A Member of the National Forum, on ceasing to hold office as such, shall not appear, act or plead before the National Forum or any State Forum or District Forum.</b></p>	
New section added	<p><b>40. (1) The Central Government, in consultation with the President of the National Forum shall determine the nature and categories of the officers and other employees, required to assist the National Forum in the discharge of its function and provide the Forum with such officers and other staff as it may think fit.</b></p> <p><b>(2) The officers and other employees of the National Forum shall discharge their functions under the general Superintendence of the President, National Forum and shall be deemed to be public servant within the meaning of Section 21 of the Indian Penal Code.</b></p> <p><b>(3) The Salaries and allowances payable and the other terms and conditions of the service of, the</b></p>	<p>This is intended to enable the central government to determine the nature and categories of the officers and other employees, for the National Forum.</p> <p>This is intended to enable to central government to prescribe</p>

	<p><b><i>officers and other employees of the National Forum appointed under Sub-Section (1) shall be on the pattern of Secretariat Services as may be prescribed by the Central Government.</i></b></p> <p><b><i>(4) Subject to such rules as may be made by the Central Government in this behalf, the National Forum may appoint such other administrative and technical staff as it may consider necessary.</i></b></p>	the pay structure of the employees of NCDRF.
<p><b>21. Jurisdiction of the National Commission.</b> — Subject to the other provisions of this Act, the National <b>Commission</b> shall have jurisdiction—</p> <p>(a) to entertain—</p> <p>(i) complaints where the value of the goods or services and compensation, if any, claimed exceeds rupees <i>one crore</i>; and</p> <p>(ii) appeals against the orders of any State Commission; and</p> <p>(b) to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any State Commission where it appears to the National <b>Commission</b> that such State Commission has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested, or has acted in the exercise of its jurisdiction illegally or with</p>	<p><b>41. Jurisdiction of the National Forum.</b> — Subject to the other provisions of this Act, the National <b>Forum</b> shall have jurisdiction—</p> <p>(a) to entertain—</p> <p>(i) complaints <b><i>suomotu or otherwise</i></b> where the <b>billed</b> value of the goods or services , if any, claimed exceeds rupees one crore; and</p> <p>(ii) appeals against the orders of any State <b>Forum</b>; and</p> <p>(b) to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any State <b>Forum</b> where it appears to the National <b>Forum</b> that such State <b>Forum</b> has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested, or has acted</p>	

material irregularity.	in the exercise of its jurisdiction illegally or with material irregularity.	
<p><b>22. Power of and procedure applicable to the National Commission.</b> — (1) <i>The provisions of sections 12, 13 and 14 and the rules made there under for the disposal of complaints by the District Forum shall, with such modifications as may be considered necessary by the <b>Commission</b>, be applicable to the disposal of disputes by the National <b>Commission</b>.</i></p> <p>(2) <i>Without prejudice to the provisions contained in sub-section (1), the National <b>Commission</b> shall have the power to review any order made by it, when there is an error apparent on the face of record.</i></p>	<p><b>42. Power of and procedure applicable to the National Forum.</b> — (1) <i>The provisions of sections 25,26,27 and 28 and the rules made there under for the disposal of complaints by the District Forum shall, with such modifications as may be considered necessary by the <b>Forum</b>, be applicable to the disposal of disputes by the National <b>Forum</b>.</i></p> <p>(2) <i>Without prejudice to the provisions contained in sub-section (1), the National <b>Forum</b> shall have the power to review any order made by it, when there is an error apparent on the face of record.</i></p>	No change except that the word Commission has been substituted by the word Forum.
<p>22A. <i>Power to set aside ex parte orders. - Where an order is passed by the National <b>Commission</b> ex parte against the opposite party or a complainant, as the case may be, the aggrieved party may apply to the <b>Commission</b> to set aside the said order in the interest of justice.</i></p>	<p>43. <i>Power to set aside ex parte orders. - Where an order is passed by the National <b>Forum</b> ex parte against the opposite party or a complainant, as the case may be, the aggrieved party may apply to the <b>Forum</b> to set aside the said order in the interest of justice.</i></p>	No change except that the word 'Commission' has been substituted by the word 'Forum'.
<p>22B. <i>Transfer of cases - On the application of the complainant or of its own motion, the National <b>Commission</b> may, at any stage of the proceeding, in the interest of justice, transfer any complaint pending</i></p>	<p>44. <i>Transfer of cases - On the application of the complainant or of its own motion, the National <b>Forum</b> may, at any stage of the proceeding, in the interest of justice, transfer any complaint</i></p>	No change except that the word 'Commission' has been substituted by the word 'Forum'.

before the District Forum of one State to a District Forum of another State or before one State <b>Commission</b> to another State <b>Commission</b> .	pending before the District Forum of one State to a District Forum of another State or before one State <b>Forum</b> to another State <b>Forum</b>	
<b>22C. Circuit Benches</b> - The National <b>Commission</b> shall ordinarily function at New Delhi and perform its functions at such other place as the Central Government may, in consultation with the National <b>Commission</b> , notify in the Official Gazette, from time to time.	<b>45. Circuit Benches</b> - The National <b>Forum</b> shall ordinarily function at New Delhi and perform its functions at such other place as the President, National <b>Forum</b> , may <b>order from time to time depending on the pendency of cases in one area.</b>	The President, NCDRF is being empowered to decide about holding of circuit benches depending on pendency of cases.
<b>22D. Vacancy in the Office of the President</b> - When the office of President of a District Forum, State <b>Commission</b> , or of the National <b>Commission</b> , as the case may be, is vacant or a person occupying such office is, by reason of absence or otherwise, unable to perform the duties of his office, these shall be performed by the senior-most member of the District Forum, the State <b>Commission</b> or of the National <b>Commission</b> , as the case may be:  Provided that where a retired Judge of a High Court is a member of the National Commission, such member or where the number of such members is more than one, the senior-most person among such members, shall preside over the National Commission in the absence of President of that Commission.	<b>46. Vacancy in the Office of the President</b> - When the office of President of a District Forum, State <b>Forum</b> , or of the National <b>Forum</b> , as the case may be, is vacant or a person occupying such office is, by reason of absence or otherwise, unable to perform the duties of his office, these shall be performed by the senior-most member of the District Forum, the State <b>Forum</b> , or of the National <b>Forum</b> , as the case may be.	The word 'Commission' is proposed to be substituted by the word 'Forum'.
New section added	<b>47. Where the National Forum or the State Forum, as the case may be, on application by a complainant or otherwise, is of</b>	This is intended to facilitate proceedings of the Consumer Forum in cases involving larger

	<i>the opinion that it involves the larger interest of consumers, it may direct any individual or organization or expert to assist the National Forum or the State Forum, as the case may be.</i>	interests of consumers.
<p><b>23. Appeal.</b> — Any person, aggrieved by an order made by the National Commission in exercise of its powers conferred by sub-clause (i) of clause (a) of section 21, may prefer an appeal against such order of the National Commission to the Supreme Court within a period of thirty days from the date of the order:</p> <p>Provided that the Supreme Court may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that there was sufficient cause for not filing it within that period.</p> <p>Provided further that no appeal by a person who is required to pay any amount in terms of an order of the National Commission shall be entertained by the Supreme Court unless that person has deposited in the prescribed manner fifty per cent. of that amount with the Supreme Court.</p>	<p><b>48. Appeal.</b> — Any person, aggrieved by an order made by the <b>National Forum</b> in exercise of its powers conferred by sub-clause (i) of clause (a) of section 41, may prefer an appeal against such order of the <b>National Forum</b> to the Supreme Court within a period of thirty days from the date of the order:</p> <p>Provided that the Supreme Court may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that there was sufficient cause for not filing it within that period.</p> <p>Provided further that no appeal by a person who is required to pay any amount in terms of an order of the <b>National Forum</b> shall be entertained by the Supreme Court unless that person has deposited in the prescribed manner fifty per cent. of that amount with the Supreme Court.</p>	No change except that the word Commission has been substituted by the word Forum.
<p><b>24. Finality of orders.</b> — Every order of a District Forum, the State Commission or the National Commission shall, if no appeal has been preferred against such order under the provisions of this Act, be</p>	<p><b>49. Finality of orders.</b> — Every order of a District Forum, the State <b>Forum</b> or the National <b>Forum</b> shall, if no appeal has been preferred against such order under the provisions of this Act, be final.</p>	No change except that the word Commission has been substituted by the word Forum.

final.		
<p>24A. Limitation period. - (l) The District Forum, the State Commission or the National Commission shall not admit a complaint unless it is filed within two years from the date on which the cause of action has arisen.</p> <p>(2) Notwithstanding anything contained in sub-section (1), a complaint may be entertained after the period specified in sub-section (l), if the complainant satisfies the District Forum, the State Commission or the National Commission, as the case may be, that he had sufficient cause for not filing the complaint within such period:</p> <p>Provided that no such complaint shall be entertained unless the National Commission, the State Commission or the District Forum, as the case may be, records its reasons for condoning such delay.</p>	<p>50. Limitation period. - (l) The District Forum, the <b>State Forum</b> or the <b>National Forum</b> shall not admit a complaint unless it is filed within two years from the date on which the cause of action has arisen.</p> <p>(2) Notwithstanding anything contained in sub-section (1), a complaint may be entertained after the period specified in sub-section (l), if the complainant satisfies the District Forum, the <b>State Forum</b> or the <b>National Forum</b>, as the case may be, that he had sufficient cause for not filing the complaint within such period:</p> <p>Provided that no such complaint shall be entertained unless the National <b>Forum</b>, the State <b>Forum</b> or the District Forum, as the case may be, records its reasons for condoning such delay.</p>	<p>No change except that the word Commission has been substituted by the word Forum.</p>
<p>24B. Administrative Control.—(1) The National Commission shall have administrative control over all the State Commissions in the following matters, namely:—</p>	<p><b>51. Administrative Control.—</b> (1) The National Forum shall <b>have the authority to lay down such normative standards as the President may like to in consultation with the Central Government from time to time to make the provisions for better protection of the interests of consumers and for that purpose</b> shall have administrative control over all the State <b>Fora</b> in the following matters, namely:—</p>	<p>This will enable the National Forum to have administrative control over the State Forums and monitor the performance of the State Fora.</p>



(i) calling for periodical return regarding the institution, disposal & pendency of cases;	<b>(a) monitoring performance of the State Fora in terms of their disposal by calling for periodical returns regarding the institution, disposal and pendency of cases;</b>	
	<b>(b) investigating into any allegations against the President and Members of a State Forum and submitting inquiry report to the State Government concerned along with copy endorsed to the Central Government for necessary action.</b>	A number of complaints against the President and Members of State Fora are being received. This provision will enable the National Forum to investigate into the allegations.
<i>(ii) issuance of instructions regarding adoption of uniform procedure in the hearing of matters, prior service of copies of documents produced by one party to the opposite parties, furnishing of English translation of judgments written in any language, speedy grant of copies of documents;</i>	<b>(c ) issuance of instructions regarding adoption of uniform procedure in the hearing of matters, prior service of copies of documents produced by one party to the opposite parties, furnishing of English translation of judgments written in any language, speedy grant of copies of documents;</b>	This will ensure uniformity of procedure in hearing of cases.
<i>(iii) generally overseeing the functioning of the State Commissions or the District Fora to ensure that the objects and purposes of the Act are best served without in any way interfering with their quasi-judicial freedom.</i>	<b>(d) overseeing the functioning of the State Fora or the District Fora either by way of inspection or by any other means the President may like to order from time to time to ensure that the objects and purposes of the Act are best served and the normative standards set by the President are achieved without in any way interfering with their quasi-judicial freedom.</b>	
<b>(2)</b> The State Commission shall	<b>(2) There shall be a Monitoring</b>	

have administrative control over all the District Fora within its jurisdiction in all matters referred to in sub-section (1).	<b><i>Cell to be constituted by the President of the National Forum to oversee the functioning of the State Fora from the administrative point of view. Composition of the Cell shall be decided in consultation with the Central Government or State Government.</i></b>	
	<b><i>(3) The State Forum shall have administrative control over all the District Fora within its jurisdiction in all matters referred to in sub-section (1)&amp; (2).</i></b>	This will enable the State Forum to have administrative control over the District Forum.
	<b><i>(4) Notwithstanding anything contained in any of the provisions of this Act, the Central Government may lay down such norms and standards of performance of various functionaries of the National Forum, State Fora and District Fora including the President and the members of the Consumer Fora and also on other matters concerning the Consumer Fora as may be considered necessary and supervise their functions with a view to furthering the interest of the consumers, to protect their rights and to secure them speedy, inexpensive and simple dispensation of justice in Consumer Fora. In this regards any directions, norms and standards made by the Central Government to/ for the</i></b>	<i>Proposed provision of Section 24B (4) and (5) seek to empower the Central Government to fix norms and standards of performance and to issue directions in this regard and also to call for any information from the Consumer Fora whereas sub-section 5(ii) empowers the concerned State Government to call for any information from the State Forum and District Fora in the State.</i>

	<b><i>Consumer Fora for compliance shall be final and binding on the Consumer Fora.</i></b>	
	<p><b><i>(5) (i) The Central Government may , by a general or special order, call upon the National Forum, State Fora and the District Fora to furnish, periodically or as and when required, any information including the pendency of cases in such form as may be prescribed; and</i></b></p> <p><b><i>(ii) The State Government, by general or special order, call upon the State Forum or any District Forum in the State to furnish, periodically or as and when required, any information including pendency of cases in such form as may be prescribed by the State Government.</i></b></p>	
<p><b><i>25. Enforcement of orders of the District Forum, the State Commission or the National Commission. — (1) Where an interim order made under this Act, is not complied with the District Forum or the State Commission or the National Commission, as the case may be, may order the property of the person, not complying with such order to be attached</i></b></p>	<p><b><i>52. Enforcement of orders of the District Forum, the State Forum or the National Forum. — (1) Every order made by a District Forum, State Forum or the National Forum shall be enforced by it in the same manner as if it were a decree made by a Court in a suit pending therein, and it shall be lawful for the District Forum, the State Forum or the National Forum to send, in case of its inability to execute such order, to the court within the local limit of whose jurisdiction :-</i></b></p>	

	<p><b>(a) in the case of an order against a company, the registered office of the company is situated; or</b></p> <p><b>(b) in the case of an order against any other person, place where the person concerned voluntarily resides or carries on business or personally works for gain, is situated;</b></p> <p><b>to pass necessary direction to the law and authorities to execute the order.</b></p>	
<p><i>(2) No attachment made under sub-section (1) shall remain in force for more than three months at the end of which, if the non-compliance continues, the property attached may be sold and out of the proceeds thereof, the District Forum or the State Commission or the National Commission may award such damages as it thinks fit to the complainant and shall pay the balance, if any, to the party entitled thereto.</i></p>	<p><b>(2) Where any order made by the District Forum, State Forum or the National Forum, as the case may be, is not complied with, such person not complying with the order shall be required to pay not less than five hundred rupees or one-half per cent of the value of the amount awarded, whichever is higher, for each day of delay of such non-compliance of the order till it is paid, in addition to the payment of the awarded amount.</b></p>	<p>This is intended to ensure speedy implementation of the orders of the Consumer Fora.</p>
<p><i>(3) Where any amount is due from any person under an order made by a District Forum, State Commission or the National Commission, as the case may be, the person entitled to the amount may make an application to the District Forum, the State Commission or the National Commission, as the case may be, and such District Forum or the State Commission or the National Commission may issue a certificate for the said amount to the Collector of the district (by whatever name called) and the Collector shall proceed to recover the amount in the same</i></p>	<p><b>(3) Without prejudice to the provisions contained in sub-sections (1) and (2), where any order made under this Act is not complied with the District Forums or the State Forum or the National Forum, as the case may be, may order the property of the person, not complying with such order to be attached.</b></p>	

<i>manner as arrears of land revenue.</i>		
	<p><b>(4) No attachment made under sub-section (3) shall remain in force for more than three months at the end of which, if the non-compliance continues, the property attached may be sold and out of the proceeds thereof, the District Forum or the State Forum or the National Forum may award such damages, as it thinks fit, to the complainant and shall pay the balance, if any, to the party entitled thereto.</b></p>	
	<p><b>(5) Where any amount is due from any person under any order made by a District Forum, State Forum or the National Forum, as the case may be, the person entitled to the amount may make an application to the District Forum, the State Forum or the National Forum, as the case may be, and such District Forum or the State Forum or the National Forum may issue a certificate for the said amount to the Collector of the district (by whatever name called) and the Collector shall proceed to recover the amount in the same manner as arrears of land revenue.</b></p>	<p>This is intended to facilitate recovery of the amount due to a consumer by virtue of an order of a Consumer Fora.</p>
	<p><b>(6) Notwithstanding the provisions contained in this section, it shall be the duty of the party against whom the order is passed by the District Forum or the State Forum or the National Forum, as the case may be, to report back to the District Forum or the State Forum or the National Forum, as the case may be, about the status of implementation of the order and the proceedings would be</b></p>	

	deemed to be continuing till the implementation of the order and it shall be the responsibility of the District Forum or the State Forum or the National Forum, as the case may be, to monitor the same till its implementation and to take appropriate penal action wherever necessary.	
<b>26. Dismissal of frivolous or vexatious complaints.</b> — Where a complaint instituted before the District Forum, the State Commission or as the case may be, the National Commission, is found to be frivolous or vexatious, it shall, for reasons to be recorded in writing, dismiss the complaint and make an order that the complainant shall pay to the opposite party such cost, not exceeding <b>ten thousand</b> rupees, as may be specified in the order	<b>53. Dismissal of frivolous or vexatious complaints.</b> — Where a complaint instituted before the District <b>Forum</b> , the State <b>Forum</b> or the National <b>Forum</b> as the case may be, is found to be frivolous or vexatious, it shall, for reasons to be recorded in writing, dismiss the complaint and make an order that the complainant shall pay to the opposite party such cost, not exceeding <b>fifty</b> thousand rupees, as may be specified in the order	
<b>27. Penalties.</b> —(1) Where a trader or a person against whom a complaint is made or the complainant fails or omits to comply with any order made by the District Forum, the State <b>Commission</b> or the National <b>Commission</b> , as the case may be, such trader or person or complainant shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to three years, or with fine which shall not be less <b>than two thousands</b> rupees but which may extend to <b>ten thousand</b> rupees, or with both.	<b>54. Penalties.</b> — (1)Where a trader or a person against whom a complaint is made or the complainant fails or omits to comply with any order made by the District Forum, the State <b>Forum</b> or the National <b>Forum</b> , as the case may be, such trader or person or complainant shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to three years, or with fine which shall not be less than <b>ten</b> thousand rupees but which may extend to <b>fifty</b> thousand rupees, or with both:	The word “Commission” has been substituted by the word “Forum”.  The amount of fine is being increased to deter repetition of the offence.
(2) <i>Notwithstanding anything contained in the Code of Criminal</i>	(2) <i>Notwithstanding anything contained in the Code of Criminal</i>	The word “Commission” has been substituted by

<p><i>Procedure, 1973, (2 of 1974), the District Forum or the State Commission or the National Commission, as the case may be, shall have the power of a Judicial Magistrate of the first class for the trial of offences under this Act, and on such conferment of powers, the District Forum or the State Commission or the National Commission, as the case may be, on whom the powers are so conferred, shall be deemed to be a Judicial Magistrate of the first class for the purpose of the Code of Criminal Procedure, 1973 (2 of 1974).</i></p>	<p><i>Procedure, 1973, (2 of 1974), the District Forum or the <b>State Forum</b> or the <b>National Forum</b>, as the case may be, shall have the power of a Judicial Magistrate of the first class for the trial of offences under this Act, the District Forum or the <b>State Forum</b> or the <b>National Forum</b>, as the case may be, shall be deemed to be a Judicial Magistrate of the first class for the purpose of the Code of Criminal Procedure, 1973 (2 of 1974).</i></p>	<p>the word "Forum".</p>
<p><i>(3) All offences under this Act may be tried summarily by the District Forum or the State Commission or the National Commission, as the case may be.</i></p>	<p><i>(3) All offences under this Act may be tried summarily by the District Forum or the <b>State Forum</b> or the <b>National Forum</b>, as the case may be.</i></p>	<p>The word "Commission" has been substituted by the word "Forum".</p>
<p><i>27A. Appeal against order passed under section 27 - (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), an appeal under section 27, both on facts and on law, shall lie from -</i></p> <p><i>(a) the order made by the District Forum to the State Commission ;</i></p> <p><i>(b) the order made by the State Commission to the National Commission; and</i></p> <p><i>(c) the order made by the National Commission to the</i></p>	<p><i>55. Appeal against order passed under section 54 - (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), an appeal under section 54, both on facts and on law, shall lie from -</i></p> <p><i>(a) the order made by the District Forum to the <b>State Forum</b> ;</i></p> <p><i>(b) the order made by the <b>State Forum</b> to the <b>National Forum</b>; and</i></p> <p><i>(c) the order made by the <b>National Forum</b> to the Supreme Court.</i></p>	<p>The word "Commission" has been substituted by the word "Forum".</p>

<p>Supreme Court.</p> <p>(2) Except as aforesaid, no appeal shall lie to any court from any order of a District Forum or a State Commission or the National Commission.</p> <p>(3) Every appeal under this section shall be preferred within a period of thirty days from the date of an order of a District Forum or a State Commission or, as the case may be, the National Commission :</p> <p>Provided that the State Commission or the National Commission or the Supreme Court, as the case may be, may entertain an appeal after the expiry of the said period of thirty days, if, it is satisfied that the appellant had sufficient cause for not preferring the appeal within the period of thirty days.</p>	<p>(2) Except as aforesaid, no appeal shall lie to any court from any order of a District Forum or a <b>State Forum</b> or the <b>National Forum</b>.</p> <p>(3) Every appeal under this section shall be preferred within a period of thirty days from the date of an order of a District Forum or a <b>State Forum</b> or, as the case may be, <b>the National Forum</b> :</p> <p>Provided that the <b>State Forum</b> or the <b>National Forum</b> or the Supreme Court, as the case may be, may entertain an appeal after the expiry of the said period of thirty days, if, it is satisfied that the appellant had sufficient cause for not preferring the appeal within the period of thirty days.</p>	
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**CHAPTER V**  
**MEDIATION (NEW CHAPTER)**

Existing Provision	Proposed New Provisions	Reasons
	<p><b>56. Establishment of Consumer Mediation Cell. - (1)</b> The State Government shall, establish for the purposes of this Act, by notification a Consumer Mediation Cell attached to the District Forum in each district of the State.</p> <p>(2) The State Government shall, establish for the purposes of this Act, by notification a Consumer Mediation Cell attached to the State Forum; and</p> <p>(3) The Central Government shall, establish for the purposes of this Act, by notification a Consumer Mediation Cell attached to the National Forum.</p>	<p>Mediation is being proposed as an alternate dispute redressal mechanism. Mediation cells are required to be set up at District, State and National level.</p>
	<p><b>57. Composition and Functions of the Consumer Mediation Cell.-(1)</b> Each Consumer Mediation Cell shall consist of a one Coordinator, one Data Operator and a Helper.</p> <p>(2) The Coordinator of the Consumer Mediation Cell attached to District Forum shall be a person of the rank of Section Officer or equivalent; of the Consumer Mediation Cell attached to State Forum shall be a person of the rank of Under-Secretary or equivalent and of the Consumer Mediation Cell attached to National Forum shall be a person of the rank of Deputy-Secretary or equivalent.</p> <p>(3) the Coordinator of the Mediation Cell shall</p> <p>(a) maintain the list of empanelled trained Mediators.</p> <p>(b) maintain data on a daily basis and submit report on a monthly basis to the State Government or Central Government as the case may be.</p>	<p>It is necessary to give the composition and functions of the mediation cell.</p>

<p><b>58. Empanelment of Mediators.</b>-(1)The National Forum shall, for the purpose of appointing the mediator between the parties in complaint or proceedings, prepare a panel of the mediators within a period of ninety days of the coming in force of these provisions and put the same on the Notice Board and website.</p> <p>(2) Every appointment under sub-section (1) shall be made by the National Forum on the recommendation of a selection committee consisting President and two Members of the National Forum.</p> <p>(3) The State Forum shall, for the purpose of appointing the mediator to mediate between the parties in the complaint or proceedings prepare a panel of the mediators within a period of ninety days of the coming into force of these provisions and put the same on the Notice Board and website.</p> <p>(4) Every appointment under sub-section (3) shall be made by the State Forum, on the recommendation of a selection committee consisting of the President and two members of the State Forum.</p> <p>(5) The District Forum shall, for the purpose of appointing the mediator to mediate between the parties in the complaints prepare a panel of the mediators within a period of ninety days of the coming in force of these provisions and put the same on the Notice Board and website.</p> <p>(6) Every appointment under sub-section (5) shall be made by the District Forum, on the recommendation of a selection committee consisting of the President and two members of the District Forum.</p> <p>(7) The consent of the persons whose names are included in the panel shall be obtained before empanelling them.</p> <p>(8) The panel shall contain Annexure giving details of the qualifications of the mediators and their professional or technical experience in different fields.</p> <p>(9) The panel of mediators appointed under subsections (1), (3)&amp; (5) shall be for a period of five years from the</p>	<p>The procedure for empanelment of mediators has been laid down.</p>
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	<p>date of empanelment or up to the age of 70 years.</p> <p>Provided empanelled mediator shall be eligible for further extension for another term of five years or up to the age of 70 years of age, whichever is earlier, subject to the condition that he fulfils the other conditions for appointment mentioned in the chapter and such re-appointment is also made on the basis of the recommendation of the Selection Committee.</p>	
	<p><b>59. Qualifications of persons to be empanelled as Mediator.-</b></p> <p>The following persons shall be treated as qualified and eligible for being enlisted in the panel of mediators under Section 58, namely:</p> <ul style="list-style-type: none"> <li>(a) Retired Judicial officers;</li> <li>(b) Academicians, Experts, other professionals and sector specialists with at least five years standing;</li> <li>(c) retired bureaucrats and executives;</li> <li>(d) Institutions, which are themselves experts in mediation and have been taking up consumer cause.</li> </ul>	<p>Qualifications for empanelment of mediators have been laid down with a view to facilitating mediation effectively.</p>
	<p><b>60. Disqualifications of Mediators.-</b></p> <p>The following persons shall be deemed to be disqualified for being empanelled as Mediators:</p> <ul style="list-style-type: none"> <li>a) any person who has been adjudged as insolvent;</li> <li>b) persons against whom criminal charges involving moral turpitude are framed by a criminal court and are pending;</li> <li>c) persons who have been convicted by a criminal court for any offence involving moral turpitude;</li> <li>d) any person against whom disciplinary proceedings have been initiated by the appropriate disciplinary authority which are pending or have resulted in a punishment;</li> <li>e) any person who is interested or connected with the subject-matter of dispute or is related to</li> </ul>	<p>The grounds of disqualifications of mediators have been prescribed to avoid arbitrariness.</p>

	<p>anyone of the parties or to those who represent them, unless such objection is waived by all the parties-in writing;</p> <p>f) any legal practitioner who has or is appearing for any of the parties in the suit or in any other suit or proceedings;</p> <p>g) any person who is office bearer of a political party</p> <p>h) any person who has been declared medically unfit.</p> <p>i) such other categories of persons as may be notified by the National/ State Commission</p>	
	<p><b>61. Preference for nominating mediators from the panel.-</b></p> <p>The Forum shall, while nominating any person from the panel of mediators referred to in Section 58, consider his suitability for resolving the consumer dispute(s) involved and shall give preference to those who have proven record of successful mediation or who have special qualification or experience in the mediation.</p>	This will enable efficient persons to handle mediation.
	<p><b>62. Duty of mediator to disclose certain facts.-</b></p> <p>(1) When a person is approached in connection with his possible empanelment as a mediator, he shall disclose in writing to the parties, any circumstances likely to give rise to a justifiable doubt as to his independence or impartiality.</p> <p>(2) Every mediator shall, from the time of his appointment and throughout the continuance of the mediation proceedings, without delay, disclose to the parties in writing, about the existence of any of the circumstances referred to in sub-section (1).</p>	This will enable transparency in empanelling mediators.
	<p><b>63. Cancellation of appointment.-</b></p> <p>Upon information furnished by the Mediator under section 34 or upon any other information received from the parties or other persons, if the District Forum/ Commission, in which the complaint or proceeding is</p>	

	<p>filed, is satisfied, after conducting such inquiry as it deems fit, and after giving a hearing to the Mediator, that the said information has raised a justifiable doubt as to the Mediator's independence or impartiality, it shall cancel the appointment by a reasoned order and replace him by another Mediator.</p>	
	<p><b>64. Removal or deletion from Panel.-</b></p> <p>A person whose name is placed in the panel referred to in Section 58 may be removed or his name may be deleted from the said panel, by the District Forum, if:</p> <p>a) he resigns or withdraws his name from the panel for any reason;</p> <p>b) he is declared insolvent by any Court or is declared to be of unsound mind;</p> <p>c) he exhibits or displays conduct, during the continuance of the mediation proceedings, which is unbecoming of a Mediator;</p> <p>d) the District Forum which empanelled, upon receipt of information, if it is satisfied, after conducting such inquiry as it deems fit, and is of the view, that it is not possible or desirable to continue the name of that person in the panel,</p> <p>Provided that, before removing or deleting his name, under clauses (c) and (d) the District Forum/ Commission shall hear the Mediator whose name is proposed to be removed or deleted from the panel and shall pass a reasoned order.</p>	<p>The grounds of removal or deletion from panel of mediators have been prescribed.</p>
	<p><b>65. Procedure of Mediation.-</b></p> <p>(1) the Mediator shall follow the procedure hereinafter mentioned:</p> <p>a) During the first appearance with the Mediator he shall fix, in consultation with the parties, a time schedule, the dates and the time of each mediation session, where all parties have to be present;</p> <p>b) The mediation shall take place in the Mediation Cell</p>	<p>It is necessary to prescribe the procedure of mediations to make it effective and less time consuming.</p>

	<p>located within the premises of the Forum;</p> <p>c)he may conduct joint and separate meetings with the parties;</p> <p>d)Each party shall, within ten days before the first appearance, provide to the Mediator a brief memorandum. setting forth the issues, which according to it, need to be resolved, and its position in respect to those issues and all information reasonably required for the Mediator to understand the issue; such memoranda shall also be mutually exchanged between the parties;</p> <p>e)Each party shall furnish to the mediator such other information as may be required by him in connection with the issues to be resolved.</p> <p>f)The parties shall be present personally or through their agent. No party to a dispute shall be entitled to be represented by a legal practitioner in any mediation proceedings.</p>	
	<p><b>66. Time limit and Number of Sitzings for completion of mediation.-</b></p> <p>The mediation shall stand terminated on the expiry of thirty days from the date fixed for the first appearance of the parties before the Mediator. Not more than three sittings for mediation shall be allowed after first appearance.</p> <p>Provided that the Coordinator of Consumer Mediation Cell may, upon request by any of the parties, and upon hearing all the parties, grant an extension of time but such extension shall not be beyond a further period of 15 days and number of sittings shall not exceed two.</p>	<p>It is necessary to prescribe time limit and number of sittings for completion of mediation as the purpose behind this is to provide speedy disposal of consumer disputes.</p>
	<p><b>67. Mediator not bound by Evidence Act, 1872 or Code of Civil Procedure, 1908.-</b></p> <p>The mediator shall not be bound by the Code of Civil Procedure, 1908 or the Evidence Act, 1872, but shall be guided by principles of natural justice, have regard to the rights and obligations of the parties, usages of trade, if any, and the circumstances of the dispute.</p>	

	<p><b>68. Failure of the parties to comply.-</b></p> <p>If a party fails to attend a session or a meeting notified by the Mediator or fails to produce such other information during the mediation as may be required by the Mediator within the time given, the Mediator can apply to the District Forum in which the complaint or proceedings is filed, to issue appropriate directions to that party to attend before the Mediator or produce relevant information, as the case may be, and if the District Forum finds that a party is absenting himself before the Mediator without sufficient reason, the complaint will be referred back to District Forum.</p>	
	<p><b>69. Settlement Agreement .-</b></p> <p>(1) Where an agreement is reached between the parties in regard to all the issues in the complaint or proceedings or some of the issues, the same shall be reduced to writing and signed by the parties or their agent.</p> <p>(2) The agreement of the parties so signed and attested shall be submitted to the mediator who shall, with a covering letter signed by him, forward the same to the Forum in which the complaint or proceeding is pending.</p> <p>(3) Where no agreement is arrived at between the parties, before the time limit stated in Section 38 or where, the mediator is of the view that no settlement is possible, he shall report the same to the said Forum in writing.</p>	<p>It is necessary to prescribe for settlement of agreement.</p>
	<p><b>70. Offer of settlement by parties.-</b></p> <p>(a) Any party to the suit may, 'without prejudice', offer a settlement to the other party at any stage of the proceedings, with notice to the mediator.</p> <p>(b) Any party to the suit may make a, 'with prejudice' offer, to the other party at any stage of the proceedings, with notice to the mediator.</p>	

	<p><b>71. Recording settlement and passing of Order by District Forum.-</b></p> <p>(1) Within seven days of the receipt of any settlement, the Forum/ Commission shall pass an order in accordance with the settlement so recorded, if the settlement disposes of all the issues in the complaint.</p> <p>Provided that if the settlement disposes of only certain issues arising in the complaint or proceeding, the District Forum shall record the settlement on the date fixed and shall include the terms of the said settlement in the Order, while deciding the other issues.</p>	
	<p>(2) <b>Communication between mediator and the District Forum:</b> In order to preserve the confidence of parties in the District Forum and the neutrality of the Mediator, there should be no communication between the Mediator and the District Forum.</p> <p>Provided that if any communication between the Mediator and the District Forum is necessary, it shall be in writing and copies of the same shall be given to the parties or their agent. Communication between the Mediator and the District Forum related to the case shall be limited to:</p> <ul style="list-style-type: none"> <li>a) about the failure of party to attend;</li> <li>b) with the consent of the parties;</li> <li>c) his assessment that the case is not suited for settlement through mediation;</li> <li>d) the parties have settled the dispute or disputes.</li> </ul>	



## CHAPTER VI

### PRODUCT LIABILITY

(New addition)

Existing Provision	Proposed Provision	Reason
	<p><b>“72. Product Liability and its effects on other laws,--(a)</b>            Except as excluded under paragraph (b), a product liability action includes all actions brought for or on account of personal injury, death, or property damage caused by or resulting from the manufacture, construction, design, formula, preparation, assembly, testing, service, warning, instruction, marketing, packaging, or labeling of any product. This Chapter establishes the exclusive theories of liability for any civil action for harm caused by a product, irrespective of the substantive theory or theories underlying the claim, including any action which before the effective date of the Act would have been based on any of the following theories:</p> <ul style="list-style-type: none"> <li>(1) strict liability in tort;</li> <li>(2) negligence;</li> <li>(3) breach of express, implied, or statutorily established warranty;</li> <li>(4) failure to discharge a duty to warn or instruct;</li> <li>(5) misrepresentation, concealment, or nondisclosure; or</li> <li>(6) public nuisance; or</li> <li>(7) any other common law theory or theory established by statute that is the basis for an award of damages for harm caused</li> </ul>	
	<p><b>(b) A product liability action does not include any civil action against a manufacturer or seller for:</b></p> <ul style="list-style-type: none"> <li>(1) harm caused to a product itself;</li> <li>(2) damage to property under a breach of warranty theory if prohibited by the Uniform Commercial Code;</li> <li>(3) commercial loss, including incidental and consequential damages in commercial setting; or</li> <li>(4) commercial risks that are the subject of a contract between the manufacturer or a seller and a buyer. Suits described in Subsections (1), (2), (3), and (4) shall be governed by the Uniform Commercial Code.</li> </ul>	
	<p><b>(c)</b> In any product liability action, no person is liable to a claimant for mental anguish or emotional harm in the absence of proof of related and contemporaneous personal physical injury, illness, or death.</p>	

	<p><b>73. Bases of Product liability:</b></p> <p>(a) In any product liability action, a manufacturer shall be liable to a claimant if the claimant establishes all of the following by a preponderance of the evidence:</p> <p>(1) the product was unreasonably dangerous when the product left the control of the manufacturer because:</p> <ul style="list-style-type: none"> <li>a. the product contains a manufacturing defect in that it deviated in a material way from the manufacturer's specifications or from the clear majority of otherwise identical units manufactured to the same design manufacturing specifications;</li> <li>b. the product is defective in design;</li> <li>c. the product failed to contain adequate instructions of correct use to avoid danger or warnings of the improper/incorrect use ; or</li> <li>d. the product did not conform to an express warranty with respect to the product made by the manufacturer or product seller;</li> </ul> <p>(2) the defendant was the manufacturer of the actual product that was the cause of harm for which the claimant seeks to recover compensatory damages; and</p> <p>(3) the unreasonably dangerous aspect of the product was the proximate cause of the harm complained of by the claimant.</p> <p>(b) Design defects. In any action alleging that a product is unreasonably dangerous because of a defective design, the claimant shall prove by a preponderance of the evidence that, at the time the product left the manufacturer's control:</p> <p>(1) the manufacturer knew or, in light of then-existing scientific and technical knowledge, reasonably should have known of the danger that caused the claimant's harm; and</p> <p>(2) there existed a technologically feasible and practical alternative design that would have reduced or avoided a foreseeable risk of harm without significantly impairing the usefulness or desirability of the product to the group of persons who are the intended users of the product.</p> <p>(c) Failure to warn. In any action alleging that a product is defective because it failed to contain adequate instructions or warnings:</p> <p>(1) An adequate warning or instruction is one that a reasonably prudent person in the same or similar circumstances would have provided with respect to the danger and communicates sufficient information on the dangers and safe use of the product, taking into account the characteristics of, and the ordinary knowledge common to an</p>	
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	<p>ordinary consumer who purchases the product.</p> <p>(2) The claimant shall prove by a preponderance of the evidence that, at the time the product left the manufacturer's control, the manufacturer knew or, in light of then-existing scientific and technical knowledge, reasonably should have known of the danger that caused the claimant's harm.</p> <p>(3) A manufacturer shall not be liable for failure to instruct or warn about a danger that is known or open and obvious to the user or consumer of the product, or should have been known or open and obvious to the user or consumer of the product, taking into account the characteristics of, and the ordinary knowledge common to, the persons who ordinarily use or consume the product.</p> <p>(d) Express warranty. A product may be unreasonably dangerous because it did not conform to an express warranty only if the claimant proves by a preponderance of the evidence that:</p> <p>(1) the claimant (or a person acting on the claimant's behalf) reasonably relied on an express warranty made by the manufacturer about a material fact concerning the safety of the product;</p> <p>(2) this express warranty proved to be untrue; and</p> <p>(3) had the representation been true, the claimant would not have been harmed.</p> <p>A manufacturer may be subject to liability under this section although it did not engage in negligent or fraudulent conduct in making the express warranty.</p>	
	<p><b>74 .Exemption from Liability</b></p> <p><b>(1) Misuse and modification</b>,--A product liability action may not be commenced or maintained against a product seller if, at the time the injury, death, or property damage occurred, the product was misused, altered, or modified in a manner that was not reasonably foreseeable, and such misuse, alteration, or modification of the product was a cause of the injury, death, or property damage.</p> <p><b>(2) Learned intermediary doctrine</b> ,-- A prescription drug is not defective due to an inadequate warning or instruction if its manufacturer provides otherwise adequate warning or instruction to the physician or other legally authorized person who prescribes or dispenses that prescription drug for the claimant.</p> <p><b>(3) Warnings to third parties</b> ,-- In any product liability action based on the failure to provide adequate warnings or instructions, the manufacturer shall not be liable if:</p> <p><b>(a)</b> The product was used in a workplace, and the manufacturer provided warnings or instructions to the</p>	

	<p>employer of the claimant, because there was no practical and feasible means of transmitting them directly to the claimant;</p> <p>(b) The product was sold as a component or material to be incorporated into another product, and the manufacturer provided warnings or instructions to the manufacturer's immediate buyer, and the claimant was exposed to the component or material after it was incorporated or converted into another product; or</p> <p>(c) The product was one that may legally be used or dispensed only by or under the supervision of a class of experts and the manufacturer employed means reasonably calculated to make warnings or instructions available to the using or supervising expert. As used in this subsection, "means reasonably calculated to make warnings or instructions available" does not require actual, personal notice to the expert where such personal notice would be impossible or impracticable.</p> <p><b>4. Alcohol and drug defense:</b></p> <p>In any product liability action a manufacturer shall not be liable if:</p> <p>(a) The claimant was under the influence of intoxicating alcohol or any non-over-the counter drug which has not been prescribed by a physician for use by the claimant; and</p> <p>(b) The claimant as a result of the influence of the alcohol or drug was more than 50 percent at fault for such claimant's harm.</p>	
	<p><b>75. Liability of product sellers:</b></p> <p>(a) No product liability action may be asserted against a product seller other than the manufacturer, unless:</p> <p>(1) the product seller exercised substantial control over the aspect of the design, testing, manufacture, packaging, or labeling of the product that caused the alleged harm for which recovery of damages is sought;</p> <p>(2) the product seller altered or modified the product, and the alteration or modification was a substantial factor in causing the harm for which recovery of damages is sought;</p> <p>(3) the product seller made an express warranty as to such product independent of any express warranty made by a manufacturer as to such product, such product failed to conform to the product seller's warranty, and the failure of such product to conform to the warranty caused the harm complained of by the claimant;</p> <p>(4) the claimant is unable, despite a good faith exercise of due diligence, to identify the manufacturer of the product;</p> <p>(5) the manufacturer is not subject to service of process under the laws of the state; or</p>	

	<p>(6) the court determines that the claimant would be unable to enforce a judgment against the manufacturer;</p> <p>(b) A product seller other than a manufacturer is liable to a claimant on the basis of negligence if the claimant establishes that:</p> <p>(1) the product seller sold the product involved in such action;</p> <p>(2) the product seller did not exercise reasonable care: (a) in assembling, inspecting, or maintaining such product; or (b) in passing on warnings or instructions from such product's manufacturer about the dangers and proper use of such product; and</p> <p>(3) such failure to exercise reasonable care was a proximate cause of the harm complained of by the claimant.</p>	
	<p><b>76. Subsequent remedial measures:</b></p> <p>(a) In any product liability action, evidence of any measure taken by a manufacturer after the occurrence of a claimant's harm which, if taken previously, would have made the harm less likely to occur is not admissible to prove liability.</p> <p>(b) Evidence described in Subsection (a) may be admitted only if necessary to prove ownership, control, or feasibility of precautionary measures, if these issues are controverted.</p>	
	<p><b>77. Concert of action:</b></p> <p>In any product liability action, a manufacturer or product seller shall not be liable to the claimant on any theory of express or implied agreement among sellers, parallel behavior, or independent adherence to industry-wide standards unless the claimant proves, by a preponderance of the evidence, that the seller engaged in concert of action. "Concert of action" means the conscious and deliberate agreement to, acknowledgment of, and collaborative participation in wrongful conduct by two or more persons who do not have the relationship of master and servant, principal and agent, parent and subsidiary, affiliates, or employer and employee.</p>	
	<p><b>78. Product Identification Requirement:</b></p> <p>Proof that the product seller designed, formulated, produced, constructed, created, assembled, or rebuilt the type of product in question is not proof that the product seller formulated, produced, constructed, created, assembled, or rebuilt the actual defective product in the product liability action. A product seller may not be held liable in a product liability action based on market share, enterprise, or industry-wide liability.</p>	

## CHAPTER VII

## MISCELLANEOUS (Existing Chapter IV)

Existing Provision	Proposed Provision	Reason
<p><b>28. Protection of action taken in good faith.</b>-No suit, prosecution or other legal proceedings shall lie against the members of~ District Forum, the State <b>Commission</b> or the National <b>Commission</b> or any officer or person acting under the direction of the District Forum, the State <b>Commission</b> or the National <b>Commission</b> for executing any order made by it or in respect of anything which is in good faith done or intended to be done by such member, officer or person under this Act or under any rule or order made thereunder.</p>	<p><b>79. Protection of action taken in good faith.</b>-No suit, prosecution or other legal proceedings shall lie against the members of the District Forum, <b><i>the State Forum</i></b> or the <b><i>National Forum</i></b> or any officer or person acting under the direction of the District Forum, the <b><i>State Forum</i></b> or the <b><i>National Forum</i></b> for executing any order made by it or in respect of anything which is in good faith done or intended to be done by such member, officer or person under this Act or under any rule or order made thereunder.</p>	<p>The word “<b>Commission</b>” has been substituted by the word “<b>Forum</b>”.</p>
<p><b>28A. Service of Notice, etc.</b>-(1) All notices, required by this Act to be served, shall be served in the manner hereinafter mentioned in sub-section (2).</p> <p>(2) The service of notices may be made by delivering or transmitting a copy thereof by registered post acknowledgment due addressed to opposite party against whom complaint is made or to the complainant by speed post or by such courier service as are approved by the District Forum, the State <b>Commission</b> or the National <b>Commission</b>, as the case may be, or by any</p>	<p><b>80. Service of Notice, etc.</b> -(1) All notices, required by this Act to be served, shall be served in the manner hereinafter mentioned in sub-section (2).</p> <p>(2) The service of notices may be made by delivering or transmitting a copy thereof by registered post acknowledgment due addressed to opposite party against whom complaint is made or to the complainant by speed post or by such courier service as are approved by the District Forum, the <b><i>State Forum</i></b> or the <b><i>National Forum</i></b>, as the case may be, or by any other means of transmission of documents (including FAX message) and for the purpose of service of notices to electronic intermediary, the same shall be served at the address provided by the electronic intermediary on the electronic platform from where it provides services as</p>	<p>The word “<b>Commission</b>” has been substituted by the word “<b>Forum</b>”.</p>

<p>other means of transmission of documents (including FAX message).</p> <p>(3) When an acknowledgment or any other receipt purporting to be signed by the opposite party or his agent or by the complainant is received by the District Forum, the State <b>Commission</b> or the National <b>Commission</b>, as the case may be, or postal article containing the notice is received back by such District Forum, State <b>Commission</b> or the National <b>Commission</b>, with an endorsement purporting to have been made by a postal employee or by any person authorized by the courier service to the effect that the opposite party or his agent or complainant had refused to take delivery of the postal article containing the notice or had refused to accept the notice by any other means specified in Sub-section (2) when tendered or transmitted to him, the District Forum or the State <b>Commission</b> or the National <b>Commission</b>, as the case may be, shall declare that the notice had been duly served on the opposite party or to the complainant.</p> <p>Provided that where the notice was properly addressed, pre-paid and duly sent by registered post acknowledgment due, a declaration referred to in this sub-section shall be made notwithstanding the fact that</p>	<p>electronic intermediary and for such purpose the electronic intermediary shall designate a grievance officer to accept and process such notices and provide such information, documents or records as required from it.</p> <p>(3) When an acknowledgment or any other receipt purporting to be signed by the opposite party or his agent or by the complainant is received by the District Forum, the <b>State Forum</b> or the <b>National Forum</b>, as the case may be, or postal article containing the notice is received back by such District Forum, <b>State Forum</b> or the <b>National Forum</b>, with an endorsement purporting to have been made by a postal employee or by any person authorized by the courier service to the effect that the opposite party or his agent or complainant had refused to take delivery of the postal article containing the notice or had refused to accept the notice by any other means specified in Sub-section (2) when tendered or transmitted to him, the District Forum or the <b>State Forum</b> or the <b>National Forum</b>, as the case may be, shall declare that the notice had been duly served on the opposite party or to the complainant.</p> <p>Provided that where the notice was properly addressed, pre-paid and duly sent by registered post acknowledgment due, a declaration referred to in this sub-section shall be made notwithstanding the fact that the acknowledgment has been lost or mislaid, or for any other reason, has not been received by the District Forum, <b>the State Forum</b> or the <b>National Forum</b>, as the case may be, within thirty days from the date of issue of notice.</p> <p>(4) All notices required to be served on an</p>	<p>The word “<b>Commission</b>” has been substituted by the word “<b>Forum</b>”.</p>
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<p>the acknowledgment has been lost or mislaid, or for any other reason, has not been received by the District Forum, the State <b>Commission</b> or the National <b>Commission</b>, as the case may be, within thirty days from the date of issue of notice.</p> <p>(4) All notices required to be served on an opposite party or to complainant shall be deemed to be sufficiently served, if addressed in the case of the opposite party to the place where business or profession is carried and in case of complainant, the place where such person actually and voluntarily resides.</p>	<p>opposite party or to complainant shall be deemed to be sufficiently served, if addressed in the case of the opposite party to the place where business or profession is carried and in case of complainant, the place where such person actually and voluntarily resides.</p>	
<p><b>29. Power to remove difficulties.</b>-(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as appear to it to be necessary or expedient for removing the difficulty:</p> <p>Provided that no such order shall be made after the expiry of a period of two years from the commencement of this Act.</p> <p>(2) Every order made under this section shall, as soon as may be after it is made be laid before each House of Parliament.</p>	<p><b>81. Power to remove difficulties.</b>-(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as appear to it to be necessary or expedient for removing the difficulty.</p> <p>(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.</p>	



<p>(3) If any difficulty arises in giving effect to the provisions of the Consumer Protection (Amendment) Act, 2002, the Central Government may, by order, do anything not inconsistent with such provisions for the purpose of removing the difficulty: Provided that no such order shall be made after the expiry of a period of two years from the commencement of the Consumer Protection (Amendment) Act, 2002.</p> <p>(4) Every order made under sub-section (3) shall be laid before each House of Parliament.</p>		
<p><b>29A. Vacancies or defects in appointment not to invalidate orders.</b>-No act or proceeding of the District Forum, the State <b>Commission</b> or the National <b>Commission</b> shall be invalid by reason only of the existence of any vacancy amongst its members or any defect in the constitution thereof.</p>	<p><b>82. Vacancies or defects in appointment not to invalidate orders.</b>-No act or proceeding of the District Forum, the <b>State Forum</b> or the <b>National Forum</b> shall be invalid by reason only of the existence of any vacancy amongst its members or any defect in the constitution thereof.</p>	<p>The word "Commission" has been substituted by the word "Forum".</p>
<p><b>30. Power to make rules.</b>-(1) The Central Government may, by notification, make rules for carrying out the provisions contained in clause (a) of sub-section (1) of section 2, clause (b) of sub-section (2) of section 4, sub-section (2) of section 5, sub-section (2) of section 12, clause (vi) of sub-section (4) of section 13, clause (hb) of sub-section (1) of section 14, section 19, clause (b) of sub-section (1) and sub-section</p>	<p><b>83. Power to make rules.</b>-  <b>(1) The Central Government may, by notification, make rules and regulations for carrying out any of the provisions contained in the Consumer Protection Act, 1986 and all its subsequent amendments.</b>  <b>(2) The State Government may, by notification, make rules and regulations for carrying out the provisions contained in the Consumer Protection Act, 1986 and all the subsequent amendments to the Act in respect of the State Forum and District Fora concerned with the State</b></p>	

<p>(2) of section 20, section 22 and section 23 of this Act.</p> <p>(2) The State Government may, by notification, make rules for carrying out the provisions contained in clause (b) of sub-section (2) and sub-section (4) of section 7, clause (b) of sub-section (2) and sub-section (4) of section 8A, clause (b) of sub-section (1) and sub-section 3 of section 10, clause (c) of sub-section (1) of section 13, clause (hb) of sub-section (1) and sub-section (3) of section 14, section 15 and clause (b) of sub-section (1) and sub-section (2) of section 16 of this Act.</p>	<p><b><i>subject to the previous approval of the Central Government in order to ensuring uniformity in practice, procedure, pay structure and other thing among the State Fora and District Fora in the country.</i></b></p>	
<p><b>30A. Power of the National Commission to make regulations</b> -(1) The National Commission may, with the previous approval of the Central Government, by notification, make regulations not inconsistent with this Act to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.</p> <p>(2) In particular and without prejudice to the generality of the foregoing power, such regulations may make provisions for the cost of adjournment of any proceeding before the District Forum, the State Commission or the National Commission, as the case may be, which a party may be ordered to pay.</p>	<p><b><i>to be deleted.</i></b></p>	
<p><b>31. Rules and regulations to</b></p>	<p><b>84. Rules and regulations to be laid</b></p>	

<p><b>be laid before each House of Parliament.</b>-(1) Every rule and every regulation made under this Act shall laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the-expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.</p> <p>(2) Every rule made by a State Government under this Act shall be laid as soon as may be after it is made, before the State Legislature.</p>	<p><b>before each House of Parliament.</b>-(1) Every rule and every regulation made under this Act shall laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the-expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.</p> <p>(2) Every rule made by a State Government under this Act shall be laid as soon as may be after it is made, before the State Legislature.</p>	<p><b>No Change</b></p>
<p><b>New addition</b></p>	<p><b>85.Directions by the Central Government.</b>-(1) <i>Without prejudice to the foregoing provisions of this Act the National Forum, the State Fora and the District Fora, in exercise of their powers or the performance of their functions under this Act, shall be bound by such directions as the Central Government may issue from time to time in furtherance of consumers' welfare,</i></p>	<p>Provisions for directions by Central Government to the Consumer Fora added.</p>

*protection of consumers' rights and ensuring speedy, inexpensive and simple dispensation of justice to the consumers in the Consumer Fora;*

*(2)If at any time the Central Government is of the opinion that the National Forum or such of the State Fora or District Fora has/have persistently made default in complying with any direction given by the Central Government under this Act or in the discharge of the duties imposed on it by or under the provisions of this Act whereby the objects of this Act are suffering the Central Government may ,by notification and for reasons to be specified therein , supersede the National Forum or such of the State Fora or District Fora, for such period not exceeding six months, as may be specified in the notification;*

*Provided that before issuing any such notification the Central Government shall give a reasonable opportunity to the National Forum or such of the State Fora or District Fora to make representation against the proposed supersession and shall consider such representations of the Consumer Fora.*

*(3) Upon publication of a notification under sub-section (2) the President and members of such Consumer Fora shall as from the date of supersession, vacate their offices as such and all powers, functions and duties of the concerned Consumer Fora under the provisions of this Act shall be exercised by the Central Government or such authority as the Central Government may specify in this behalf, until the Consumer Fora is reconstituted;*

	<b><i>Provided that the Central Government shall reconstitute the Consumer Fora under the provisions of this Act by fresh appointment to the post of President and members before the expiry of the period of supersession.</i></b>	
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